Cheltenham Borough Council

Cabinet & Council – 23 February 2024

General Fund Revenue and Capital – Final Budget Proposals 2024/25

Accountable member:

Cllr Peter Jeffries, Cabinet Member for Finance & Assets

Accountable officer:

Gemma Bell, Director of Finance & Assets (Deputy s151 Officer)

Accountable scrutiny committee:

Budget Scrutiny Working Group and Overview and Scrutiny Committee

Ward(s) affected:

All

Key/Significant Decision:

No

Executive summary:

This report summarises the revised budget for 2023/24 and the Cabinet's final budget proposals and pay policy statement for 2024/25.

The Council have faced unprecedented financial challenges over the last two years in providing the resources and support to manage the response to the Covid-19 pandemic and then rising costs and challenges faced by the cost of living crisis. This is in addition to the ten years of austerity and year on year cuts to the Council's Government funding.

With inflation still higher than the Government's target and interest rates running at their highest level since 2008, the forecast for 2024/25 continues to be some of the most challenging times for Local Authorities.

Section 114 (1) of the Local Government Finance Act 1988 places a duty on the Section 151 Officer to inform the authority where they believe that the authority's expenditure is likely to

exceed available resources. A Section 114 Notice normally results in an immediate and severe curtailing of activity to the provision of non-statutory services.

News from Councils across the country tell of local authorities who are continuing to struggle to balance the books and warn of the possibility of issuing section 114 notices without further financial support from Central Government. In many cases this has already happened.

The financial strategies implemented by this Council since November 2020 to refresh the commercial strategy, review asset management and invest in growth have so far meant the Council have not needed to pursue this course of action. The Section 25 report for 2022/23 assessed the appropriate level of general balances to be carried by the Council to be £1.527m however this was reassessed at £3.256m in July 2022 at the beginning of the cost of living emergency where new assumptions where needed for increases in inflation, interest rates, and savings delivery.

The purpose of this analysis is to ensure there is sufficient contingency available to support pressures not originally forecast in the base budget. It was this re-assessment which informed key decisions to make sure this contingency was available when inflation and interest rate pressures continued into 2023/24.

In order to start to strengthen our reserves position again, another challenging savings strategy has been proposed in order to balance the 2024/25 budget. Work has been ongoing through 2023/24 to work through proposals and take key decisions to deliver both in year and through the medium term. Although this is a positive direction of travel, work needs to continue to ensure key projects deliver on proposed savings.

The recommendations within this report aim to ensure a balanced budget is delivered in 2024/25, that revenue resources are transferred to reserves to provide a cushion to combat longer term uncertainty and that appropriate resources continue to be directed towards our key priorities.

Recommendations:

1. **Approve the revised budget for 2023/24 which is reported as part of the budget monitoring process for 31 December 2023 in Section 6.**

2. **Consider the budget assessment by the Section 151 Officer at Appendix 2 in agreeing the following recommendations.**

3. **Approve the final budget proposals including a proposed council tax for the services provided by Cheltenham Borough Council of £237.68 for the year 2024/25 based on a Band D property (an increase of 2.99%), as detailed in paragraphs 9.1 to 9.6.**

4. **Approve the savings / additional income totalling £2,741,000 and the budget strategy at Appendix 4.**

5. **Approve the revenue growth items totalling £158,000 at Appendix 5.**

6. **Approve the capital programme at Appendix 6.**

7. **Approve the use of reserves and general balances and note the projected level of reserves, as detailed at Appendix 7.**

8. **Approve the programmed maintenance programme at Appendix 8.**

9. **Approve the Medium Term Financial Strategy (MTFS) detailed in Appendix 9.**

10. **Approve the flexible use of capital receipts strategy as detailed in Appendix 10.**

11. **Note that the Council will remain in the Gloucestershire business rates pool for 2024/25.**

12. **Approve the Pay Policy Statement for 2024/25, including the continued payment of a living wage supplement at Appendix 11.**

13. **Note the responses to the questions raised during the budget consultation in Appendix 12.**

14. **Approve the proposed fees and charges schedule for 2024/25 at Appendix 13, subject to appropriate consultation where required.**

15. **Approve a level of supplementary estimate of £100,000 for 2024/25 as outlined in Section 18.**

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1. Implications

1.1. Financial implications

As detailed in the report.

Signed off by: Gemma Bell, Director of Finance & Assets (Deputy s151 officer)

1.2. Legal implications

The budget setting process must follow the Council's Budget and Policy Framework Rules.

Members are not generally regarded as having a personal or prejudicial interest in the setting of the council budget and council tax. However, any member who is in arrears of council tax needs to give careful consideration to the provisions of section 106 of the Local Government Finance Act 1992. This states that if any arrears remain unpaid for at least two months then the member must disclose this at the beginning of the meeting, which is to consider the council tax calculation and shall not vote on the matter. It is a criminal offence to disregard this requirement. Any member likely to be in such a position should seek advice as quickly as possible from the Monitoring Officer.

There is a legal requirement under the Local Government Finance Act 1992, sections 31A and 42A to set a balanced budget. The budget proposals include budgets for expenditure and income and use reserves to fund one off expenditure, fund future expenditure or phase in the impact of increased expenditure in accordance with the Medium Term Financial Strategy.

Section 38 of the Localism Act 2011 requires local authorities to produce Pay Policy

Statements.

The Act also contains requirements for local authorities to hold a referendum where council tax is proposed above specific levels. The relevant basic amount of council tax in 2024/25 will require a referendum if it is 3%, or more than 3%, above its 2023/24 level.

This means that a shire district authority will need to exceed the percentage referendum thresholds in order to be subject to a referendum.

Section 25 of Local Government Act 2003 requires the Authority's Section 151 Officer to comment on the robustness of the estimates and the adequacy of reserves.

By approving the budgets for the capital programme, Cabinet are making key decisions as to the use of the budget. Consequently, the acceptance of tenders in excess of £100,000 by the lead member (or officers if authorised under the constitution) for contracts required to deliver works, services and supplies under the approved budget headings, will not be key decisions.

In accordance with the Council's approved Investment Strategy, the Council is able to lend money to support local public services and stimulate local economic growth. These include loans to organisations and residents within the Borough which support the priorities of the Council.

Sections 38-43 Localism Act 2011 set out the requirements that a Local Authority must publish an annual pay policy statement setting out the Authority's policies relating to the remuneration of its Chief Officers, its lowest paid employees and the relationship between the remuneration of the Chief Officers and other employees. It is up to the Authority to define who its lowest paid employees are. It must also include (a) the level and elements of remuneration for each Chief Officer, (b) remuneration of Chief Officers on recruitment, (c) increases and additions to remuneration for each Chief Officer, (d) the use of performance-related pay for Chief Officers, (e) the use of bonuses for Chief Officers, (f) the approach to the payment of Chief Officers on their ceasing to hold office under or to be employed by the authority, and (g) the publication of and access to information relating to remuneration of Chief Officers.

The Authority's Pay Policy Statement must be approved by a resolution of the Authority before it comes into force and the statement must be prepared and approved before the end of 31 March 2024 and each year thereafter. Amendments may be made within each year by the passing of a resolution. Once approved it must be published as the Authority sees fit and further pay determinations must be made in accordance with the policy.

Signed off by: One Legal, legalservices@onelegal.org.uk, Tel no: 01684 272012

1.3. **HR implications**

Relationships with the two recognised trade unions continue to remain very positive. The Executive Leadership Team and the HR team will continue to work closely with TU colleagues in order to ensure that any potential impact on employees as a result of realisation of budget savings are kept to a minimum.

Signed off by: Julie McCarthy, HR@cheltenham.gov.uk

1.4. **Environmental and climate change implications**

The final budget proposals for 2024/25, particularly in relation to energy usage, are broadly in line with our Climate Emergency Action Plan. A target reduction in energy consumption will lead to a corresponding decrease in greenhouse gas emissions, which aligns with our Climate Emergency Action Plan objectives. The investment set out in the capital programme and through the countywide Climate Co-ordinator role will help progress countywide carbon reduction initiatives. However, increased revenue investment is needed to maintain progress against the actions set out in the Climate Emergency Action Plan and this will continue to present a challenge for the council's budget without further funding support from central government.

The expenditure of allocated budgets within all services will be assessed using the Climate Impact Assessment Tool, which has been formally adopted by Cabinet, to help ensure that projects and policies are effectively aligned to the council's commitments on climate change, as well as other key social and environmental priorities.

Signed off by: Maizy McCann, Climate Emergency Officer

1.5. **Property/asset implications**

As detailed in the report and appendices, specifically the capital programme in Appendix 6 and the planned maintenance programme in Appendix 8.

Signed off by: Gemma Bell, Director of Finance & Assets (Deputy s151 officer)

1.6. **Corporate policy framework implications**

The actions outlined in this final budget to implement savings and grow commercial income will help ensure that the Council can continue to deliver its corporate objectives as set out in the revised Corporate Plan for 2023- 2027.

Signed off by: Ann Wolstencroft, Head of Performance, Projects and Risk

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2. Promoting equality and reducing discrimination

The Council takes its statutory duties to promote equality of opportunity seriously. The 2010 Equality Act sets out that we must have due regard to the need to advance equality of opportunity between people who share a protected characteristic and those who do not. The groups that share a protected characteristic include those defined by age, ethnicity, disability, religion or belief and sexual orientation.

The Cabinet Member Finance and Assets and the Director of Finance and Assets have been mindful of this statutory duty in how the budget proposals have been prepared. The community and equality impacts of the various budget proposals are as follows:

Budget Proposal (excerpt from appendix 4)	Potential community and equality impacts and any mitigating actions
Reduction in levels of temporary borrowing	None identified.

Repayment of principal debt to reduce annual revenue provision	None identified.
Income from MX profit share	None identified.
Income from EV charging points	None identified.
Income generated from property portfolio	None identified.
Disposal of property interests in line with the Council's Asset Management Strategy - cost savings and contribution to property resources	It is suggested that an equalities impact assessment is carried out on specific proposals that are brought forward following the approval of the Council's Asset Management Strategy to assess how they may impact on staff and/or customers to ensure that individuals with protected characteristics are not in any way disadvantaged by the proposals.
Channel shift of services to digital platform	A number of services can now be accessed through the Council's digital platform. For each new digital customer option, customer testing will be undertaken to ensure that services can continue to be accessed by all. This mitigation should ensure no potential community or equality impacts of the changes.
HRA re-charge of uplifted annual audit fees	None identified.
Review and re-alignment of resources for discretionary services	It is suggested that an equalities impact assessment is carried out on specific proposals that are brought forward to assess how they may impact on staff and/or customers to ensure that individuals with protected characteristics are not in any way disadvantaged by the proposals. The EQIA will then be reported as part of any decision making on the proposal.
Review of the Council's facilities management services Council office rationalisation	The way in which the Council's Municipal Offices are used has changed significantly since before the pandemic. The Council operate in a smaller area of the office, agile working has been introduced, the Reception has been refurbished to be more fit for purpose and other partner organisations occupy the building to provide one place for customers and residents to access services. With the sale of the Municipal Offices expected in the medium term, any alternative arrangements for the location of the Council's services and operations will be subject to a separate EQIA.
Transition of housing services back in-house	This proposal is linked to the larger programme to transition the Council's housing services back in house following the Cabinet decision in October 2023 to wind up Cheltenham Borough Homes. Following the decision, the Council's Overview and Scrutiny Committee agreed to the establishment of a Scrutiny Working Group to provide additional governance to the programme. As part of the implementation of the decision, a Tenant and Leaseholder consultation has been undertaken and ended on 16 February 2024. The responses from this consultation will be considered to ensure the impact on communities will be minimised. An outline programme plan for the transition is due to be presented to the Cheltenham Borough Homes Board in February 2024 and includes a workstreams for tenant voice to ensure the level of service for tenants, leaseholders and our communities is not negatively impacted by the proposed changes.
Environmental Services Review	It is suggested that an equalities impact assessment is carried out on specific proposals that are brought forward to assess how they may impact on staff and/or customers to ensure that individuals with protected characteristics are not in any way disadvantaged by the proposals. The EQIA will then be reported as part of any decision making on the proposal.

3. Performance management – monitoring and review

The scale of future budget savings will require significant work to deliver them within the agreed timescales and there is a danger that this could divert management time from the delivery of services to the delivery of savings. There are regular progress meetings to monitor

the delivery of savings and this will need to be matched with performance against the corporate strategy action plan to ensure that resources are used to best effect and prioritised.

The delivery of the savings work streams included in the final budget proposals, if approved by full Council will be monitored by the Budget Scrutiny Working Group and reported quarterly to the Cabinet.

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4. Background

4.1. In accordance with the Council's Budget and Policy Framework Rules, which are part of the Council's constitution, the Cabinet is required to prepare interim budget proposals for the financial year ahead and consult on its proposals for no less than four weeks prior to finalising recommendations for the Council to consider in February 2024. The consultation took place between the period 20 December 2023 to 26 January 2024 and this report sets out the final proposals for 2024/25.

5. Budget Assessment of the Section 151 Officer

5.1. Under Section 25 of the 2003 Local Government Act, there is a legal requirement for the Section 151 Officer to make a report to the authority when it is considering its budget, council tax and housing rents (see separate report on Housing Revenue Account to Council) covering the robustness of estimates and adequacy of reserves. The Act requires councillors to have regard to the report in making decisions at the Council's budget and council tax setting meeting.

5.2. The Section 151 Officer is satisfied that the proposed budget for 2024/25 has been based on sound assumptions and that the Council has adequate reserves to fund operations in 2024/25. The full assessment is attached at Appendix 2.

6. 2023/24 Budget Monitoring to December 2023

6.1. The budget monitoring report to the end of December 2023 shows a slightly improved financial position when compared with the quarter two report presented to Cabinet in November. In November the projected overspend was £702k and this has reduced to £520k since the draft budget proposals where published for consultation. That being said, the forecast remains a net overspend against the original budget. It is proposed that general balances are used to offset the pressures continuing to be experienced from the current economic environment.

7. Settlement Funding Assessment

7.1. The assumptions within these budget proposals are based on the local government 'final' finance settlement for 2024/25 which was released by DLUHC on 5 February 2024.

7.2. The headlines from the Local Government Final Finance Settlement for Cheltenham in 2024/25 are:

- The referendum threshold for increasing the "Core" Band D Council Tax borough council precept to remain at £5 or 2.99%, which ever is greater.
- A New Homes Bonus payment of £88,876.

- A reduction in the Services Grant introduced in 2022/23 from £114,920 in 2023/24 to £19,839 in 2024/25.
- A one year 4% Funding Guarantee payment of £1,151,195 expected for 2024/25 only.

7.3. A new requirement for 2024/25 is for all Local Authorities to produce a productivity plan. The plans need to identify ways to unlock productivity improvements and setting out the key implementation milestones. Plans need to be published by July 2024, must be approved by Full Council and published on our website, together with updates on progress. The plans need to cover four main areas:

- transformation of services to make better use of resources;
- opportunities to take advantage of advances in technology and make better use of data to inform decision making and service design;
- ways to reduce wasteful spend within systems, including specific consideration of expenditure on consultants and staff Equality, Diversity and Inclusion programmes – this does not include programmes designed to promote integration and civic pride, and counter extremism; and
- barriers preventing activity that Government can help to reduce or remove.

7.4. In 2010/11, the Council received £8.8m of direct support from the Government in the form of grant income and baseline business rates funding. Had this continued at the same level the Council would have received £13m in real terms for 2024/25. This compares to actual funding of £4.6m in the final Local Government finance settlement – including the baseline guarantee of business rates income and other non-ringfenced grants. This represents a real time cut of £8.4m in Government funding to Cheltenham in 13 years.

7.5. The Council have bridged this gap through the implementation of the Commercial Strategy in 2015 and figure 1 below shows the success of this with only 2% of the funding for the 2024/25 budget coming from non-ringfenced Government grants. The commercial strategy has supported the growth in income from investment properties, growth in the Council Tax and Business Rate yield and gross income through regular review of the fees and charges for the Council's discretionary services.

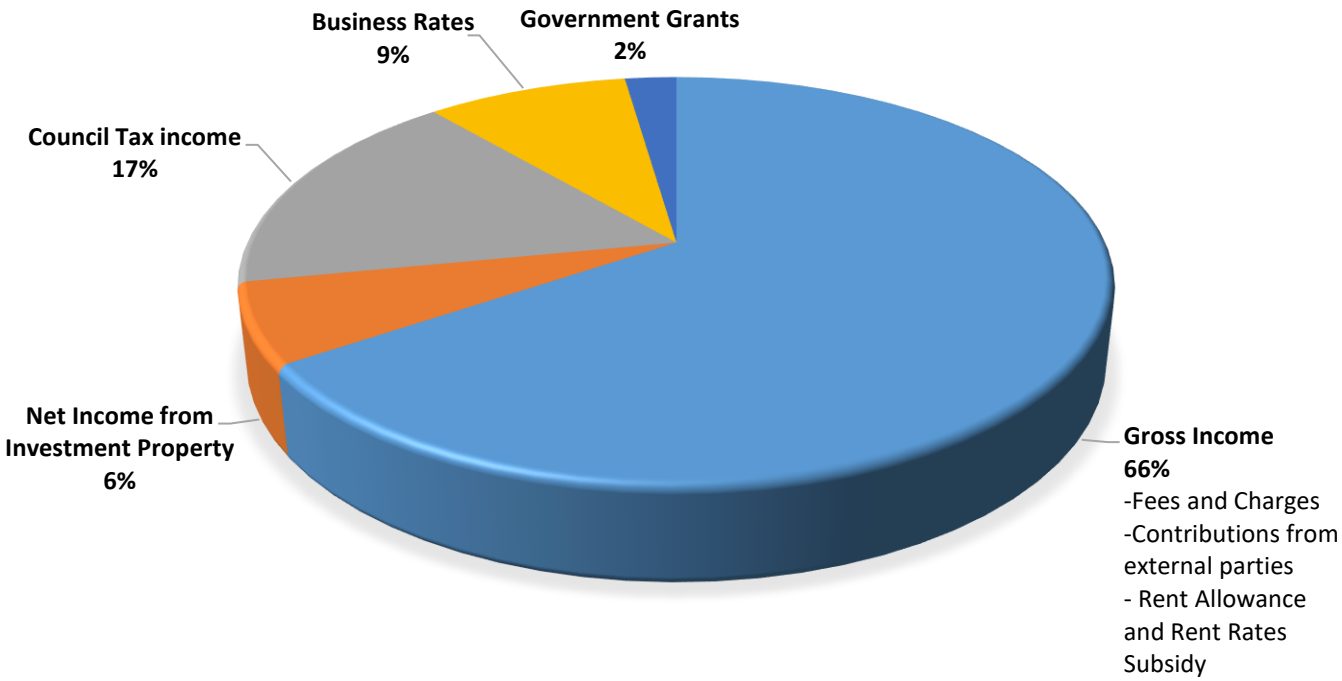

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Figure 1: Funding of the Council's 2024/25 budget

8. Business Rates Retention (BRR)

8.1. In October 2012, Council approved the principle of Cheltenham joining the Gloucestershire Business Rates Pool, subject to a thorough assessment of the risks and rewards and agreement of satisfactory governance arrangements.

8.2. Continuation within the pool was delegated to the Section 151 Officer and Chief Executive and this is reviewed on an annual basis.

8.3. The Gloucestershire Business Rates Pool was set up in 2013/14 to maximise the business rate income retained within the County and to support economic growth within the area of the Local Enterprise Partnership.

8.4. The anticipated level of business rates due to this Council in 2023/24, despite the current economic environment remains above the baseline funding target (Cheltenham's target level of retained Business Rates) which will result in Cheltenham still being liable to a 'levy'.

8.5. The post-pandemic economic recovery of the town is being monitored closely by the Leadership team. The focused funding and business rate reliefs for specific sectors has enabled businesses to adapt the way they operate through national restrictions and mitigate the long-term economic impact of the pandemic on the town.

8.6. Taking the above into account, it is the opinion of the Section 151 Officer that this Council will benefit from remaining in the pool in 2024/25 as it will result in a reduction in the levy payment due to central government, which will be distributed in accordance with the governance arrangements.

8.7. One of the key documents in the budget setting process is the estimate of business rates yield, reported on the National Non Domestic Rates return (NNDR1), which is submitted to the DLUHC. The NNDR1 return was submitted by the deadline of 31 January 2024 and the budget is based on the figures in that return. The table below incorporates figures from the NNDR1 return and the estimated net surplus from retained

business rates against the baseline funding position in 2022/23 is £2.890m (revised estimate) and £2.912m in 2024/25.

	2023/24 Original 50% system £	2023/24 Revised 50% system £	2024/25 Original 50% system £
Retained business rates	23,769,071	23,769,071	24,288,060
Tariff payable to government	(20,991,879)	(20,991,879)	(21,783,146)
Grant to compensate for government decisions	4,181,908	4,045,605	4,459,746
Estimated levy payable to government after Pool surplus	(1,279,572)	(984,830)	(966,249)
Net retained business rates	**5,679,528**	**5,837,967**	**5,998,411**
Less Baseline Funding (target level of net retained rates)	(2,947,776)	(2,947,776)	(3,086,353)
Net surplus on business rates against baseline funding	**2,731,752**	**2,890,191**	**2,912,058**
Final Surplus/(Deficit) 2020/21	(542,148)	(542,148)	-
Final Surplus/(Deficit) 2021/22	967,084	967,084	-
Final Surplus/(Deficit) 2022/23	318,370	318,370	(167,244)
Estimated Surplus/(Deficit) 2023/24	-	-	(307,181)
One-off adjustments re previous years' deficits	**743,306**	**743,306**	**(474,425)**
Net retained business rates (after one-off deficit adjustments)	**6,422,834**	**6,581,273**	**5,523,986**
Transfer (to) / from BRR earmarked reserve	(250,000)	(358,609)	300,000
Net retained business rates	**6,172,834**	**6,222,664**	**5,823,986**

9. Council Tax

9.1. Government legislation, through the Localism Act, requires councils proposing excessive rises in council tax to hold a local referendum allowing the public to veto the rise. The referendum threshold for council tax for shire districts in 2022/23 was the higher of £5, or up to 1.99 per cent. This was increased in the 2023/24 Settlement to up to 2.99 per cent which has continued for 2024/25.

9.2. With increased pressures caused by the pandemic and the recent increase in inflation and other operational costs, it continues to be difficult to deliver current levels of services when government support does not cover all additional costs we expect to incur. To this end, there is a clear mandate from central government for the reliance of council tax to fund our local services.

9.3. The tax base is forecast to increase by 0.28% in 2024/25 against the target increase of 0.8%. In the medium term forecast for 2025/26 and beyond there is an assumed growth of 0.5% in the tax base per annum, slower than forecast growth before the pandemic. In the medium term forecasts, growth has been included from 2026/27 onwards to reflect the increases expected in the tax base from developments such as West Cheltenham and North West Cheltenham.

9.4. The Cabinet has had to consider what level of increase in council tax is sustainable, without creating an increased risk of service cuts and/or larger tax increases in the future.

9.5. The uncertainty surrounding the timing of the fair funding review, business rates and the uncertainty about the continuity of Government funding for more than a year continues to place significant reliance on council tax as our main source of income.

9.6. Therefore, the Cabinet is proposing a 2.99% increase in council tax in 2024/25; an increase of £6.90 for the year for a Band D property.

10. Collection Fund

10.1. Under normal circumstances, collection fund surpluses arise from higher than anticipated rates of collection of council tax (for example due to additional new build properties becoming chargeable). At this point in time, it is anticipated that there will be a small surplus on the collection fund in 2023/24, primarily arising from an increase in the tax base compared to that estimated in setting the budget in February 2023. Surpluses and deficits are normally shared out between the Council, County and Police and Crime Commissioner in the following year.

10.2. As a result of the collection fund's final position for 2022/23 an adjustment to the surplus is required which is paid to the collection fund in 2024/25. The 2022/23 adjustment and estimated 2023/24 surplus result in a Net Deficit due to the collection fund in 2024/25 of £8,042 for the Council.

11. The Cabinet's Budget Strategy for 2024/25

11.1. As outlined in the Executive Summary of this report, the Council have taken decisive action since the outbreak of the global pandemic in 2020 to safeguard the financial sustainability of the Local Authority. This followed the introduction of the commercial strategy in 2015 which underpinned the actions taken to generate income streams to offset the reduction in Government revenue funding and support the general fund.

11.2. In the previous two budget proposals, there has been continued commitment to the Council's corporate priorities; to inclusive and sustainable growth in the town, to the goal of supporting the Council and the town to be net carbon zero by 2030, to becoming the Cyber capital of the UK, to delivering more housing across the borough and to our No Child Left Behind initiative. The success of this approach has been reflected in the responses to the Resident's Satisfaction Survey in October 2022 where 80% of respondents agreed that Cheltenham has a positive future.

11.3. In February 2023, the Council approved a revised Corporate Plan for 2023-27 which included further detail of how the Council proposed to deliver of their ambitions in these core priority areas.

11.4. The budget proposals for 2024/25 are aligned to these priorities and the ambitions for growth, investment and sustainability originally outlined in the Recovery Strategy. The Cabinet acknowledge that decisive action is needed to ensure resources are balanced to deliver on these commitments, particularly in light of the economic challenges which are forecast to continue into the medium term.

11.5. The strategy outlined below aims to balance sustainable and green growth and investment with the financial sustainability of the Council. However in order to deliver these ambitions a challenging savings strategy is also required, despite the savings already delivered in 2023/24. Appendix 4 outlines the savings, efficiencies and additional income which will be generated in order to balance the budget and ensure funding is available to support the core activities in the Corporate Plan.

Cyber Capital of the UK

11.6. The Council have taken significant steps forward in our ambition to be the cyber capital of the UK over the past twelve months. Following the completion of the procurement to find a development partner to realise its flagship ambition to make Cheltenham the Cyber Capital of the UK, HBD were appointed in 2021/22. The major developments team have been established in the base budget and a number of new officers have been recruited to ensure the Council have the skills and expertise to deliver the ambitious development and construction projects planned for the town.

11.7. Even more significantly for the Council's direct development of the site, in September 2023 Council approved the Development Funding Agreement which plays a fundamental role in securing the delivery of two critical buildings; the National Cyber Innovation Centre and Mobility Hub. This agreement creates a framework which allows funding to be provided from a range of sources within an envelope of up to £95m.

11.8. Following this decision, the Council were notified in November 2023 that they have been provisionally awarded £20m from the Government's Levelling Up fund to support the delivery of the National Cyber Innovation Centre.

11.9. In the current climate, the Innovation Centre and Mobility Hub have a vital role to play in the delivery of the Golden Valley vision. They will provide business rate contributions to the council which will support the Medium Term Financial Strategy, protect tax payers' money in the long term, and play a vital role in building a stronger local economy with opportunities that will benefit the entire town.

11.10. This progress demonstrates a national commitment to the ambitions that the Council began work to make a reality following the purchase of the West Cheltenham land in 2019 with outline planning submitted in 2023/24. Throughout this year the Council have also continued its work to deliver the MX which will provide an arts and office space in the

Minster Quarter of the town, due to open in early 2024.

11.11. The council's ambition is for it to bring together high growth companies in the cyber tech, digital and creative sectors on the one part and academia and the wider community on the other to create the ideal platform for organic growth and collaboration in advance of the Cyber Innovation Centre delivery.

A net zero Council and borough

11.12. CBC's ambition to be net carbon zero by 2030 is a credible and commendable plan and in 2021/22 the Council invested in the creation of a permanent central team to monitor and manage the carbon reduction programme for the Borough as a whole.

11.13. On 21 February 2022 the Council approved a Climate Change Emergency Action Plan which outlined in further detail their commitment to taking a leading role, as well as playing its part in working with individuals, communities, businesses and other partners to achieve this ambitious goal.

11.14. The Council also approved a £10m Green Investment Fund to provide capital investment for schemes, projects and building improvements which would contribute to the net zero carbon goal. In 2022/23 funding for the first project was approved and work will be completed in 2023/24 to upgrade the building management systems at all the Council's main buildings to reduce energy usage. In 2023/24 and continuing into 2024/25, a number of other capital projects have been initiated to deliver the activities on the plan.

11.15. In 2023/24, a capital budget of £75k was included for the delivery of EV charging points on our land and car parks. Work has progressed in 2023/24 with five sites being identified to be leased to a third party to deliver and manage the required infrastructure. Subject to consultation on the Car Parking Order it is expected that the first charging points will be operational by Summer 2024. This will also deliver additional rental income for the Council in line with our commercial strategy.

11.16. The Council successfully bid for funding through the UK Shared Prosperity Fund in 2022/23 and the projects included the delivery of a fixed power supply in Imperial and Montpellier Gardens. A project manager has been appointed to advise on the design and specification for the supplies and are currently working with National Grid to understand the capacity of the grid to support events such as the ice rink and Cheltenham Festivals.

11.17. The appointment of an Interim Director of Climate Change in October 2023 makes the next stage of the Council's journey to carbon net zero. Strategies are being reviewed for wider energy management and future investment requirements in our buildings to reduce their carbon footprint. Many of these can be delivered through the existing planned maintenance programme but others will require more innovative thinking. To support this, the climate change team budget has been protected as part of the savings and reserves strategy to ensure work can continue on this key priority.

Inclusive and Sustainable Economic Growth and Development

11.18. Despite the financial uncertainty caused by the pandemic and the cost of living crisis, over the last two years, the Council has continued to demonstrate its commitment to make Cheltenham a place where everyone can thrive. The Council's investments to drive sustainable growth and investment in the town:

- An investment of £87k into the upgrade of the public space around Clarence Fountain to improve facilities, seating and planting.

- A £3.3m investment in retail units on the High Street for development and regeneration. The seed funding of which was built into the 2023/24 base budget.
- Funding to refurbish Montpellier Gardens toilets to include a Changing Places facility and greater parity between male and female toilets.
- A contribution of £250k to the refurbishment of the Wilson Art Gallery and Museum which has now re-opened with new galleries and a café facilities.
- The re-design of the Minster Gardens to connect the high street to the MX and Wilson Art Gallery.

11.19. These investments provide a once in a generation opportunity to revitalise the town centre, increase footfall to businesses on the high street and support sustainable economic growth in Cheltenham. The impact of investments like this are reflected in the results of our 2022 Residents Satisfaction survey where 87% of respondents were satisfied with the town centre as a place to visit during the day.

11.20. The Council's Asset Management Strategy was approved in February 2022 and work has been underway since then to review the strategic alignment of our £500m property portfolio to the Council's Corporate Priorities. A number of sites have already been brought forward for disposal where the benefits of retention are not aligned to the Council's focus. These disposals generate capital receipts which are being re-invested by the Council on key projects whilst also providing opportunities for new housing and development in the town.

11.21. The 2024/25 draft budget proposal includes two new revenue growth bids which support the sustainable and inclusive growth and development of the town. The first is an additional contribution of £123k for a new approach to planning and place shaping for the town. Cheltenham Borough Council, Gloucester City Council and Tewkesbury Borough Council, have joined together to progress a fresh approach to plan-making for our area in the form of the Cheltenham, Gloucester and Tewkesbury Strategic and Local Plan (CGTSLP). It will draw together four core elements (formerly the Gloucester, Cheltenham & Tewkesbury Joint Core Strategy - JCS, and the local plans for each of those areas) under a single examination setting out a long-term vision for where developments should and shouldn't happen.

11.22. The Cheltenham Trust currently deliver leisure and culture services on behalf of the Council. The Trust is responsible for running Leisure at Cheltenham, the Prince of Wales Stadium and some of Cheltenham's most iconic cultural venues – Cheltenham Town Hall, The Wilson and Pittville Pump Room. In September 2023 the Cabinet took the decision to extend the current management agreement for up to five years from 1 October 2024 when it will need to be fully re-tendered in line with our Procurement Regulations. The one-off growth item of £35k included in the budget will allow work to understand the options available to the Council in order that leisure and culture services can be re-tendered to maximise both opportunity and value for money for the residents of Cheltenham.

11.23. The economic uncertainty we currently face will continue to challenge us as a town and a Council into the medium term. Our recovery strategy and subsequent budget proposals have focused on the revitalising and reshaping the economy and ensuring that future growth benefits all our communities. The Council aims to encourage collaboration across sectors to ensure that culture, hospitality and creativity is interweaved into our economic recovery plans particularly in enhancing our cyber investment plans, supporting the creative revitalisation of the town centre, and the imaginative use of our open spaces.

Savings, Efficiencies and Additional Income

11.24. The 2023/24 Medium Term Financial Strategy included an estimated budget gap for

2024/25 of £1.2m. In assessing the financial impact of the last twelve months, this budget gap has grown to £2.741m. This additional pressure of £1.541m is driven predominantly by both Ubico contract costs and the staff pay award both exceeding the forecast, an additional interest rate cost of £193k not foreseen in February 2023 and £300k of savings not being achieved in the current year. There is also £158k of additional growth built into the budget as detailed in Appendix 5.

11.25. Interest rates and energy costs are expected to stay high for at least one more year and although work will be undertaken to reduce the temporary borrowing exposed and to reduce energy usage which will provide financial benefit in the long term, the short term challenges are still required to be managed.

11.26. This is evident in the front loading of the budget gap, with 88% of the total five year gap being required to be delivered in 2024/25. From 2025/26, through effective management of the pension funding and investment in West Cheltenham and other key developments in the town there is sufficient growth projected to balance the budget. This strategy is about making sure that the Council has the financial resilience up to then to develop this economic growth in Cheltenham.

11.27. In line with the agreed approach on general balances and reserves, additional provision has also been made in the 2024/25 budget to strengthen these. All of these factors have increased the budget gap and subsequently the levels of savings and efficiencies we are required to make.

11.28. The proposals outlined in Appendix 4 have been grouped into four categories:

- Debt management - using our available capital receipts to repay the principal of debt owed and reduce our reliance on temporary borrowing which is more sensitive to changes in the Bank of England base rate;

- Implementation of our commercial strategy – to generate additional income from our assets and investments;

- Continued work on the existing savings proposals to realign our resources with the Council's Corporate Priorities and deliver on savings proposals already approved by the Cabinet. This builds on work undertaken in 2023/24 to review all areas of discretionary spend in addition to the ongoing work to bring the Council's housing services back in-house; and

- Review of our environmental services – as our largest single area of spend, we cannot deliver the efficiencies required to balance the 2024/25 budget without reviewing how the services are currently delivered. This includes costs directly incurred by the Council, the scope of services delivered through the Ubico contract and income generated from garden waste. The Council are committed to ensuring that all residents have access to recycling services but the rising cost of providing receptacles means delivery charges also need to be considered.

12. Treasury Management

12.1. Appendix 3 summarises the budget estimates for interest and investment income activity. Security of capital remains the Council's main investment objective.

12.2. The Bank of England base rate increase is one of the most significant pressures our budget has seen over the past 18 months. When the draft budget paper was presented

to Cabinet last year the base rate was 3.5%, the highest since 2008. It was assumed based on treasury advice that this would increase to 4.25% in 2023/24. This forecast came to fruition in April 2023 and has increased three times since. The base rate is currently 5.25% and is expected to stay at this level throughout 2024/25.

12.3. The Council are forecast to have net borrowing of £186.017m at the end of 2023/24, compared to £167.328m at 31 March 2023. This includes borrowing for both the HRA and the general fund. The increase is driven by the HRA capital programme as well as a number of large cash outflows in 2023/24 such as the upfront payment of the secondary contributions to the pension fund which required temporary borrowing, a cheaper option than the fixed rate at the time.

12.4. As a net borrower, the speed of the rise in interest rates has created a budget pressure for the Council during 2023/24 and into 2024/25. It is forecast that the net impact of interest rate rises will require an additional £193k of revenue funding in 2024/25 which is included in the budget proposals. This is a decrease when compared to the 2023/24 budget where £587k of additional cost has had to be funded to cover the borrowings. The 2023/24 forecast is based on the Bank of England rate increasing to 4.25% and remaining there for the full twelve months which was obviously surpassed early in the Summer of 2023.

12.5. It is our £59m of temporary borrowing that is most exposed to increase rate increases and monitoring of fixed rates continues as the decision to fix all or a proportion of this borrowing is subsequently reviewed. The Medium Term Financial Strategy in Appendix 9 includes some analysis of the impact of reducing interest rates on our general balance projections. In January 2024, the Section 151 Officer took the decision to fix £20m of the existing temporary borrowing when the PWLB rates were at their lowest, effectively delivering the £200k proposed saving on treasury management activity in Appendix 4 well in advance of the start of the financial year.

12.6. There are expected to be fewer large financial commitments in 2024/25 as the MX will be completed and the lump sum of secondary contributions to the pension scheme made in 2023/24 will not be required. This means there will be more cash in the system and the requirement to take out short term temporary borrowing to cover cash outflows won't be necessary. More detail will be covered in the 2024/25 Treasury Management Strategy, which will be presented to the March 2024 Council meeting.

13. Reserves

13.1. Section 25 of the Local Government Act 2003 requires the Chief Financial Officer (Section 151 Officer) to comment upon "the robustness of the estimates and the adequacy of the reserves for which the budget provides". A projection of the level of reserves to be held at 31 March 2024 and 31 March 2025 respectively is detailed in Appendix 7.

13.2. The level of our general balances through 2022/23 and 2023/24 has meant we have been able to cover overspends against our approved budget within the year. However, this leaves our general balances at levels lower than pre pandemic levels, at a time of significant uncertainty about the medium term economic environment.

13.3. The Cabinet recognise the importance of continuing to strengthen reserves to provide additional financial stability to the Council in managing these pressures. It is therefore recommended that any future underspends or fortuitous windfalls are earmarked for transfer to general balances over the 2024/25 budget period.

14. Capital Programme

14.1. The capital programme for the period 2023/24 to 2026/27 is set out at Appendix 6.

14.2. The strategy for the use of the council's capital resources is led by our corporate priorities. The existing programme includes sums for infrastructure investment to be funded from capital receipts which align to the Council's key corporate priorities. In particular, it includes an allocation for public realm works within the Town Centre, regeneration and development of the High Street and continued commitment to investment in a net carbon zero town and Council.

14.3. These reflect the Cabinet's view that the Council are an enabler for economic recovery, making sustainable and financially secure investments to provide benefits for our businesses, residents and communities. This is more important than ever to support the town post pandemic when residents and businesses are facing rising costs due to the inflation, rising interest rates and a predicted recession in the coming year.

14.4. During the 2024/25 financial year, other projects and schemes may come to light which require investment by the Council. These proposals will be considered by the Cabinet and approval will be requested through the relevant channels in line with the Council's Budget and Policy Framework Rules.

15. Property Maintenance Programme

15.1. The final budget proposals include the 2024/25 property maintenance programme, which has also be reviewed by the Asset Management Working Group, and the budget includes a revenue contribution of £599k to planned maintenance, as detailed in Appendix 8.

16. Pay Policy Statement

16.1. Section 38 of the Localism Act requires local authorities to produce pay policy statements which should include the authority's policy on pay dispersion. Pay dispersion is the relationship between remuneration of Chief Officers and the remuneration of other staff.

16.2. The Pay Policy attached at Appendix 11 includes the following key requirements of the Localism Act 2011:

- policy on pay for each of the 'in scope' Officers;
- policy on the relationship between Chief Officers and other Officers;
- policy on other aspects of remuneration, namely recruitment, increases in remuneration, performance related pay and bonuses, termination payments, and transparency.

17. Consultation and feedback

1.1 The formal budget consultation on the detailed interim budget proposals took place over the period 20 December 2023 to 26 January 2024. The Cabinet sought to ensure that the opportunity to have input into the budget consultation process was publicised to the widest possible audience, predominately through its social media channels. During the consultation period, interested parties including businesses, parish councils, tenants, residents, staff and trade unions were encouraged to comment on the initial budget

proposals.

1.2 The Budget Scrutiny Working Group has been meeting during the course of the year and has made a positive contribution to the budget setting process in considering various aspects of the budget leading to its publication. The group met on 10 January 2024 and comments have been fed back to the Overview and Scrutiny Committee and the Cabinet.

1.3 Formal meetings to discuss the budget were also held with Cheltenham Chamber of Commerce, C5 Parish Council's and the Voluntary and Community Sector (CVS). Public responses to the budget proposals with responses from the Cabinet are provided at Appendix 12.

18. Supplementary Estimates

18.1. Under financial rule B11.5, the Council can delegate authority to the Cabinet for the use of the General Reserve up to a certain limit. This is to meet unforeseen expenditure which may arise during the year for which there is no budgetary provision. It would be prudent to allow for a total budget provision of £100,000 for supplementary estimates in 2024/25 to be met from the General Reserve, the same level as in 2023/24.

19. Alternative options considered

19.1. This Council was one of, if not the first council to publish a Recovery Strategy in 2020 in the middle of a global pandemic. That early publication and consultation enabled the Council to clearly signal recovery aims and objectives. The economy was, and continues to be in an extremely difficult position nationally and responding dynamically was seen as the best way to support the rest of the town to recover.

19.2. Section 114 (1) of the Local Government Finance Act 1988 places a duty on the Section 151 Officer to report certain matters to the authority. The duty of the Section 151 Officer to report where they believe that the authority's expenditure is likely to exceed available resources. The authority is prevented from entering into any agreements incurring expenditure until the Council has considered the report.

19.3. News from Councils across the country tell of local authorities who are continuing to struggle to balance the books and warn of the possibility of issuing section 114 notices without further financial support from Central Government. In many cases this has already happened.

19.4. The financial strategies implemented since November 2020 to refresh the commercial strategy, review asset management and invest in growth have so far meant the Council have not needed to pursue this course of action. However, with the challenging economic environment set to continue the Council need to renew their commitment to delivering efficiencies, savings and maximising income streams to support the ongoing delivery of services and build robust reserves as they work towards financial self-sufficiency.

20. Key risks

20.1. See Risk Assessment in Appendix 1.

Report author:

Gemma Bell, Director of Finance and Assets (Deputy s151 Officer)

Tel. 01242 264124; **gemma.bell@cheltenham.gov.uk**

Appendices:

1. Risk Assessment
2. Section 151 Officer budget assessment report
3. Summary net budget requirement
4. Budget Savings / Additional Income
5. Revenue Growth Items
6. Capital programme
7. Projection of reserves
8. Programmed Maintenance programme
9. Medium Term Financial Strategy (MTFS)
10. Flexible use of Capital Receipts Strategy 2023/24
11. Pay Policy Statement
12. Responses to the 2023/24 Budget Consultation
13. Fees & Charges Schedule for 2023/24
14. Climate Change Impact Assessment

Background information:

1. General Fund Revenue and Capital – Interim Budget Proposals – Cabinet 19 December 2023;
2. The Quarter two 2023/24 budget monitoring report to Cabinet – November 2023;
3. The final local government finance settlement for 2024/25:

Final local government finance settlement: England, 2024 to 2025 - GOV.UK (www.gov.uk)

Appendix 1: Risk Assessment

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
347	If energy costs keep rising / fluctuating as per the current market then it impacts on our ability to accurately budget/forecast expenditure and may impact on our the investments we can make in projects / programmes whilst still being able to achieve our MTFS	Gemma Bell, Director of Finance and Assets	4	4	16	Reduce	This policy and the associated action plans.	Gemma Bell, Director of Finance and Assets	Ongoing
	If the Council is unable to come up with long term solutions which close the gap in the medium term financial strategy then it will find it increasingly difficult to prepare budgets year on year without making unplanned cuts in service provision.	Cabinet	5	3	15	Reduce	The budget strategy projection includes ‘targets’ for work streams to close the funding gap which aligns with the council’s corporate priorities.	ED Finance and Assets	Ongoing

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
	If the Budget Strategy (Support) Reserve is not suitably resourced insufficient reserves will be available to cover anticipated future deficits resulting in the use of General Balances which will consequently fall below the minimum required level as recommended by the Section 151 Officer in the council's Medium Term Financial Strategy	ED Finance and Assets	5	4	20	Reduce	The MTFS is clear about the need to enhance reserves and identifies a required reserves strategy for managing this issue. In preparing the budget for 2020/21 and in ongoing budget monitoring, consideration will continue to be given to the use of fortuitous windfalls and potential future under spends with a view to strengthening reserves whenever possible.	ED Finance and Assets	Ongoing
	If income streams from the introduction of the business rates retention scheme in April 2013 are impacted by the loss of major business and the constrained	ED Finance and Assets	5	4	20	Accept & Monitor	The Council joined the Gloucestershire pool to share the risk of fluctuations in business rates revenues retained by the Council.	ED Finance and Assets	Ongoing

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
	ability to grow the business rates in the town then the MTFS budget gap may increase.						The Gloucestershire S151 Officers continue to monitor business rates income projections and the performance and membership of the pool / pilot. Work with members and Gloucestershire LEP to ensure Cheltenham grows its business rate base.		
	If the robustness of the income proposals is not sound then there is a risk that the income identified within the budget will not materialise during the course of the year.	ED Finance and Assets	4	4	16	Reduce	Robust forecasting is applied in preparing budget targets taking into account previous income targets, collection rates and prevailing economic conditions. Professional judgement is used in the setting / delivery of income targets. Greater focus on cost control and	ED Finance and Assets	Ongoing

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
							income generation will be prioritised to mitigate the risk of income fluctuations.		
	If the assumptions around government support, business rates income, impact of changes to council tax discounts prove to be incorrect, then there is likely to be increased volatility around future funding streams.	ED Finance and Assets	5	3	15	Reduce	Work with Publica and countywide CFO's to monitor changes to local government financing regime including responding to government consultation on changes Business Rates and the Fair Funding review. The assumptions regarding government support have been mitigated to a certain extent by the acceptance of a multi-year settlement agreement.	ED Finance and Assets	Ongoing

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APPENDIX 2

STATEMENT OF THE SECTION 151 OFFICER UNDER THE REQUIREMENTS OF SECTION 25 OF THE LOCAL GOVERNMENT ACT 2003

ROBUSTNESS OF BUDGET ESTIMATES AND ADEQUACY OF RESERVES 2024/2025

1. INTRODUCTION

The Local Government Act 2003 Section 25 includes a specific duty on the Chief Finance Officer (Section 151 Officer) to make a report to the authority when it is considering its annual budget and council tax levels. The report must deal with the robustness of the estimates and the adequacy of the reserves included within the budget. (For the purpose of the Act 'reserves' includes 'general fund balances'.) The Act requires the Council to have due regard to the report in making its decisions at the Council's budget and council tax setting meeting in respect of 2024/25.

In making this report I have considered the financial management arrangements that are in place, the level of projected reserves, the budget assumptions, the overall financial and economic environment, the financial risks facing the Council and its overall financial strategy.

It is a demanding time for local authorities as they grapple with immense resourcing challenges ranging from inflationary pressures to rising demand and recruitment constraints. The financial resilience of all local authorities is under strain, with a number of authorities already declaring Section 114 notices in the last few years.

Since 2010/11, local authority spending has fallen from 7.4 to 5.0 per cent of GDP, and it falls further in the Office for Budget Responsibility (OBR) forecast to 4.6 per cent of GDP in 2028-29. Given local authorities' statutory duty to provide a range of services where demand is likely to continue to grow, pressure on local authority finances and services will continue.

Strategically the financial and economic context facing the Council remains similar to recent years. The strategic messages and many of the risks, set out in this report, are therefore similar to last year. However, the potential policy changes (including service specific and fiscal) following a General Election in 2024 and the absence of a Comprehensive Spending Review beyond 2024/25 makes medium term financial planning less certain. Preserving the Council's financial resilience remains the key long-term driver in the Council's financial strategy as the Council moves forward to the next 5-year Medium Term Financial Strategy (MTFS) - 2024-2029.

Taking the above into account alongside the Council's mitigating actions, my conclusions are in summary:

- supplies and services and staffing budgets are sufficient to maintain services as planned;
- budgeting assumptions for treasury management activity reflect market expectations that interest rates have peaked at 5.25%;

- the 2023/24 budget provided an opportunity for the Council to reset its baseline position against its corporate priorities. The 2024/25 budget proposals take account of the Council's ambition to make Cheltenham the cyber capital of the UK through initiatives such as the Golden Valley Development and the Minster Exchange;

- it is my opinion that the approach to budgeting for income is prudent although it is imperative that monthly forecasting and analysis of key income streams are monitored throughout the financial year;

- the proposal to increase council tax is required to ensure the viability of this Council in future years without having to make significant cuts to front-line services. The proposed increase in council tax for 2024/25 is within the referendum threshold, which allows shire district councils to increase council tax by the 'greater' of 2.99% or £5 based on a Band D property;

- the medium term financial planning assumptions, including future cuts in government support (aligned behind the Government commitment to undertake a fair funding review, business rates baseline reset and an overhaul of the new homes bonus), are prudent. The continued development and revision of the budget strategy for closing the projected budget gap is providing a planned and measured approach to meeting future financial challenges, albeit front-loaded in 2024/25;

- the approach to financing maintenance and ICT replacement is acceptable. Looking ahead, the need to model and prioritise future investment aspirations will become critical if the Council is to meet some of the targets within the Medium Term Financial Strategy (MTFS);

- the level of reserves, including General Balances, is satisfactory. This is caveated with the condition that the proposed budget for 2024/25 aims to increase General Balances by £629,942.

2. ROBUSTNESS OF ESTIMATES

Budget estimates are assessments of spending and income made at a point in time, based on service needs and known expenditure patterns. The statement about the robustness of estimates cannot give a guaranteed assurance about the budget, but gives Councillors reasonable assurances that the budget has been based on the best available information and assumptions.

In order to meet the requirement of assessing the robustness of estimates the Section 151 Officer will consider and rely upon the key processes that have been put in place:

- the issuing of clear guidance to Service Managers on preparing budgets through the annual budget strategy report;
- peer review by finance staff involved in preparing the standstill base-budget, i.e. the existing budget plus contractual inflation;
- the use of in-year budget monitoring to re-align budgets in line with projected changes for 2024/2025;
- a medium term planning process that highlights priority services and risks;
- a review of the corporate risk register;

- a service review by the Cabinet, Leadership Team and Service Managers of detailed budget and proposed savings and their achievability;
- finance staff providing advice throughout the process on robustness, including vacancy factors, increments, current demand, and income levels; and
- sign-off from budget-holders to take accountability and ownership of the budgets devolved to them for managing within the financial rules.

Notwithstanding these arrangements that are designed to test the budget throughout its various stages of development, considerable reliance is placed on Service Managers having proper arrangements in place to identify issues, project demand data, to consider value for money and efficiency and record key risks within their operational risk register.

The table below identifies assumptions made during the budget process and comments upon the risks and decisions taken when preparing the budget.

Budget Assumption	Financial Standing and Management
1. The treatment of demand led pressures.	The main budget assumptions are set out in detail in the main budget report and the Section 151 Officer confirms that these are realistic in the context of the demographic and fiscal challenges facing the Council, although the proposed efficiency and other service savings are ambitious and there is substantial risk, they will not all be achieved within the required timescale. This is why the enhanced tracking of action plans to deliver efficiencies will be continued and monitored robustly throughout the financial year. Like many council's, CBC has faced unprecedented financial challenges over the last two years in providing the resources to manage the response to the Covid-19 pandemic followed by rising costs and challenges faced through the cost of living crisis. With inflation and interest rates still holding above target levels, the Council has had to rely on its general balances to ensure it has a balanced budget in 2023/24. Service Managers are expected to manage changes within their budgets by re-prioritising or by taking steps to reduce expenditure where income streams decrease significantly. Where this is not possible it will be necessary to use the working balance or earmarked reserves on the understanding that they may need to be restored in future years. Tax changes and caps on benefits increase pressure on rent arrears and homelessness provision however following the freeze on the Local Housing Allowance (LHA) since April 2020 the rate has been restored to the 30th percentile (meaning the LHA rate will fully cover the rent of up to three in every 10 homes in Cheltenham) from April 2024.. The National Living Wage will rise by 9.8% to £11.44 an hour for individuals aged 21 and over. The Chancellor also confirmed Universal Credit and other benefits will increase from April 2024 by 6.7% in line with September 2023's inflation figure and the state pension will increase by 8.5% The impact on rent arrears will be closely monitored and the HRA budget proposals reflect a provision for bad debts of £240,000 in 2024/25.

Budget Assumption	Financial Standing and Management
2. The treatment of inflation and interest rates.	The following assumptions have been made in the preparation of the Medium Term Financial Strategy in respect of inflationary pressures: • The pay award for 2024/25 has allowed for a 5% increase for those on grades A – K and 3% for those on grades L - P. As the rate of inflation is forecast to move back towards the Bank of England's target of 2%, pay awards are modelled at 3% per annum from 2025/26. Members allowances have been budgeted to reflect the same assumptions as staff. • Employer's Superannuation contributions – agreed until 2026 through the latest triennial valuation and through agreement to pay the required secondary sum payments to the Local Government Pension Scheme (LGPS) as an up-front payment for the next 3 years future liability. Future uncertainty in the economy/fund performance may increase or decrease pension fund deficits although budgeting assumptions follow actuarial advice. Current modelling and results support the current strategy which has ensured the Council is in a positive cash-flow position, resulting in an improved funding level of 101% as at the last valuation date of 31st March 2022. • Contract inflation has been allowed for at the appropriate contractual rate. The Ubico contract sum (by far our largest contract value) now reflects stabilised costs in respect of fuel, energy and pay. • In line with previous practice, general inflation has not been provided for unless the relevant professional officer has indicated that there are inflationary pressures. Whilst this creates natural efficiency savings it could lead to insufficient budget to maintain service levels. In-year increases will need to be managed. • The Council provides a number of demand led services e.g. green waste collection, car parking, building control charges, etc. The estimates for 2024/25 provide for an inflationary increase where market conditions dictate. Income from council tax and business rates appear to have stabilised to pre-pandemic levels. • As part of the Autumn Budget Statement in November 2023, the Government confirmed that the April 2024 rent increase for social housing would be CPI +1% which equates to a 7.7% increase. • The treasury management strategy continues to diversify into pooled funds which will expose the Council to investments within property, bonds and equities. These funds have the advantage of providing wide diversification of investment risk, coupled with the services of professional fund managers in return for a fee. These funds offer enhanced returns over the longer-term but are more volatile in the short-term but will allow the authority to diversify into asset classes other than cash. • The Council adheres to the CIPFA Code of Practice for Treasury Management 2011 and updates its policy and strategy statements annually. The Capital Strategy and Investment Strategy is reviewed annually to ensure security of public money. Our treasury advisors continue to advise the Council and Treasury Management Panel on policy. Risks around inflation and interest rate variations have been built into my assessment of the budget and subsequently have been built into the base budget in 2024/25. In-year increases will need to be managed but may need to be funded from General Balances as was the case in 2023/24. The recommended minimum HRA revenue reserve to cover contingencies is £1.5m. The three year projections forecast a reserve balance of £1.5m at 31st March 2027.

Budget Assumption	Financial Standing and Management
3. Estimates of the level and timing of capital receipts.	Property Services need to ensure our land and property asset portfolio is fit for purpose, secures increased income generation, maximises capital receipts and stimulates growth and investment in the borough. Surplus assets and assets generating a low yield have been identified for disposal to realise in excess of £25m in capital receipts whilst also contributing to the stimulation of the local economy. A strategic review of our property portfolio has been undertaken to ensure that the Council's assets make the maximum contribution possible to support the MTFS. Housing stock sales through Right to Buy (RTB) are estimated to be at 20 per annum. These receipts will be ring-fenced towards the supply of new housing. The Government has implemented changes to RTB policy which supports the reinvestment of these receipts into the supply of additional social housing in Cheltenham. The deadline to use RTB receipts has been extended from three years to five years and these receipts can fund 40% of each new home instead of 30%. The use of RTB receipts continues to be closely monitored to ensure they are retained for reinvestment in Cheltenham.
4. The treatment of efficiency savings/ productivity gains.	The system for monitoring the progress on the implementation of efficiency savings has been enhanced during 2023/24, as requested by Cabinet, and now includes supportive budget challenge sessions led by the Chief Executive and Director of Finance and Assets with directors and heads of services for the largest spending areas. Scrutiny by the Leader and Cabinet, as well as the Budget Scrutiny Working Group will continue as before. 55% of the savings proposals for 2024/25 (transition of housing services back in-house and environmental services review) are prudent and achievable although there is substantial risk, they will not all be achieved within the required timescale. Whilst further work is required to realise these savings in a transparent manner, this should not undermine our ability to keep expenditure within budget in 2024/25 as provision is made for slippage within working balances. The remaining proposals are already in progress and no slippage has been identified at this stage.

Budget Assumption	Financial Standing and Management
5. Government support.	The following assumptions have been made in the preparation of the medium term financial projections in respect of government support: • The budget assumptions for 2024/25 are based on the final financial settlement notified by the Department for Levelling Up, Homes and Communities (DLUHC) on 5th February 2024. • The medium term financial projections assume a full business rates reset under the fair funding review in 2026/27. It also assumes this Council will no longer receive any Revenue Support Grant (RSG) and that New Homes Bonus (NHB) will be phased out in its entirety by 2025/26. • The budget requires £0.089m of New Homes Bonus (NHB) to support the revenue budget in 2024/25. The budget also requires £1.171m from other grants; Services Grant of £0.20m and Funding Guarantee Grant of £1.151m. In modelling the MTFS, coupled with a business rates reset, it is assumed that these grants will fall away over the coming years, albeit softened by a 'damping' payment in 2026/27. • The budget for 2024/25 includes assumptions for business rates based on estimates of collection rates, bad debts, appeals, reliefs (mandatory and discretionary) and assumed 40% share under the 50% retention system. The medium term financial projections assume that a full reset will be implemented as part of the fair funding review. As in previous years, an earmarked reserve is maintained to help mitigate the risk of any future fluctuations. Despite the uncertainty over future government funding, I am comfortable that the Council has been sufficiently prudent in budgeting for reductions in government support, including dealing with the uncertainty of business rates and New Homes Bonus receipts. The Government lifted the HRA borrowing restrictions, abolishing the debt cap and left the level of borrowing to be controlled by the prudential code. This should allow a significant increase in the new build programme subject to the identification of appropriate sites and financial viability.

Budget Assumption	Financial Standing and Management
6. Proposed level of council tax.	When setting the level of council tax, Councillors should always consider the medium term outlook to ensure that a sustainable budget position is maintained Councillors also need to acknowledge that the Localism Act 2011 contains requirements for local authorities to hold a referendum where council tax is proposed above a specific increase (the greater of up to 3% or £5 in 2024/25). Council tax is the main source of locally raised income for this authority and has previously been referred to by DLUHC as 'an important source of funding which is used to meet the difference between the amount a local authority wishes to spend and the amount it receives from other sources such as government grants'. When calculating the core grant settlement, the Government assumes that all shire districts will increase their council tax by the threshold amount for 2024/25. The indicative grant levels for the period 2024/25 and beyond also assumes that all local authorities will increase their council tax levels up to the threshold each year. CIPFA has published a financial resilience index and their recommended good practice is that this is referred to within the s25 report for 2024/25. One of the indicators is the council tax requirement as a ratio to net revenue expenditure. This indicator provides a measure of the relative importance of council tax and grants. A low ratio suggests higher dependency on grants which may suggest that a council may experience financial difficulties as grants diminish further. The ratio for this council in 2024/25 is 60.03% and is projected to rise over the duration of the MTFS which equates to this council having a diminishing dependency on grants. There has been an important shift in the Government's principles, most noticeably, the shift away from freezing council tax to using council tax to generate additional funding. Given the relevance of the indicator outlined above, I support a council tax increase of 2.99% (equivalent to a £6.90 increase on a Band D property) as this will avoid the requirement for a referendum (cost c. £230k) for council tax increases over the government cap.

Budget Assumption	Financial Standing and Management
7. Medium Term Financial Strategy (MTFS) – the strategy for closing the projected funding gap.	Sound financial management requires that the Section 151 Officer and Councillors have full regard to affordability when making recommendations about the local authority's future revenue and capital programme. The 2024/25 budget includes medium term financial projections of the projected funding gap and indicates broadly how the Council may close the projected funding gap over the period 2024/25 to 2028/29. The Medium Term Financial Strategy outlines the strategy for closing the funding gap and includes efficiency savings and income targets rather than necessarily specific worked up projections of cost savings. The Council has traditionally provided 'one off' funding for investment in systems or staff costs i.e. additional short-term resource, redundancy/pension costs funded from savings or earmarked reserves. The Council's approach to modelling and monitoring the MTFS and planning for meeting future funding gaps outlined in the budget strategy demonstrates robust and effective planning for closing the funding gap and is effectively scrutinised. The Council is developing a more commercial approach to service provision with the aim of becoming self-financing and less dependent of Central Government funding. This approach has helped to refocus on delivering a sustainable MTFS. Developing strategies for regeneration and economic growth which will generate revenue for the Council to offset the reductions in government funding streams will be a key strand of the development of the MTFS. As the Council moves into the next phase of delivery in its Golden Valley Development (GVD) it is critical that the Council commits adequate resources which are directed towards meeting its corporate priorities. Both the General Fund and the Housing Revenue Account, alongside external partners, have allowed for budget allocations in 2024/25 and beyond to ensure the GVD programme is adequately resourced both via a dedicated program team and through external advisors.
8. The authority's capacity to manage in-year budget pressures.	The authority has proven its ability to manage in-year budget pressures with recorded overspends in recent years being identified as risks and held as contingency within the assessment of the General Fund Balance. Improvements to our Devolved Budgetary Control scheme have improved our management of cash limited budgets, with a requirement for each budget-holder to sign and take accountability for their budgets set for the following financial year.
9. The strength of the financial information and reporting arrangements.	The Council has strong internal and external reporting standards. Quarterly management reports are made to the Cabinet. These procedures have allowed firm management of any projected overspends in the past. These reports have been enhanced with detailed financial commentary and clear direction with regards to in-year virements which aids transparency and full scrutiny. In addition, the Budget Scrutiny Working Group meet regularly to scrutinise both the in-year budgetary position and the Medium Term Financial Strategy.
10. The authority's virement and end of year procedures in relation to budget under/overspends at authority and departmental level.	The Council's virement and carry forward rules are clear. The Council is operating management disciplines to ensure management and policy actions are considered in relation to overspending budgets. Generally, virement is considered at a corporate level against corporate priorities, including the contribution towards the optimal level of general fund reserves. The Council's Devolved Budgetary Control scheme gives managers flexibility to manage budget variations within their range of services. Service overspends may be clawed back from future budgets.

Budget Assumption	Financial Standing and Management
11. The adequacy of the authority's insurance arrangements to cover major unforeseen risks.	The Council's insurance arrangements are considered adequate. The Council does self-insure on small claims to mitigate rising insurance premiums which will need to be funded from the base budget.
12. The approach to financing the maintenance programme.	The Council has £599k built into the base revenue budget to fund the annual maintenance budget of the property portfolio. The maintenance schedule of planned commitments has been established for 2024/25 and will be reviewed by the Asset Management Working Group on an annual basis.

Given consideration of the above factors and the detailed scrutiny of the budget that has been undertaken this year, I can give positive assurance on the robustness of the budget estimates. The greatest risk to this assurance is a sustained period of both high inflation and interest rates.

3. ADEQUACY OF RESERVES AND BALANCES

The requirement for financial reserves is acknowledged in statute. Sections 32 and 43 of the Local Government Finance Act 1992 require billing authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.

Within the statutory and regulatory framework it is the responsibility of the Section 151 Officer to advise the authority on its level of reserves that should be held, and to ensure that there are clear protocols for their establishment and use. Councillors, on the advice of the Section 151 Officer, should make their own judgements on such matters taking into account local circumstances. The adequacy of reserves can only be assessed at a local level and requires a considerable degree of professional judgement. The assessment needs to be made in the context of the authority's MTFS, its wider financial management, and associated risks over the lifetime of the plan. The Secretary of State has reserved powers to set a minimum level of reserves to be held by councils if required.

The CIPFA resilience index also has a number of indicators measuring reserves. The indicators suggest that compared to other district councils, both our earmarked reserves and our unallocated reserves (i.e. general balances) are in the lower quartile. Whilst this is useful information, it needs to be more qualitative, which is around whether reserves are being used in line with policy. There appears to be an assumption within these indicators that having high levels of reserves is a good measure which doesn't necessarily fit well with the equity perspective that councils should not be sitting on high levels of reserves as this is being funded by local taxpayers that are not getting any benefit.

Reserves should not be held without a clear purpose. Should it be considered that the level (or proposed levels of reserves) is inadequate then a report must be made to Council outlining how this has arisen and what action should be taken to prevent a reoccurrence in subsequent years.

As part of the annual budget setting process and in reviewing the MTFS, the Council needs to consider the establishment and maintenance of reserves. These can be held for three main purposes:

- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general balances;
- a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general balances;
- a means of building up funds (earmarked reserves) to meet known or predicted requirements.

GENERAL (WORKING) BALANCES – CALCULATION OF OPTIMUM LEVEL

There are two approaches for deciding the optimum level of working balance. One approach is to simply apply a percentage range to the Net Budget Requirement, currently assessed at between 5% and 10% or a level between £0.867m and £1.733m. The alternative is a level based upon a risk assessment of the budget. In 2024/25 the Section 151 Officer has used a risk-based approach to assess the appropriate level of general balances.

The framework for assessing the risks surrounding the budget needs to consider the following:

- inflationary pressures;
- pension Fund changes;
- planned savings measures;
- interest rate variations;
- volume variations on demand-led services such as planning fees, land charges;
- new services/initiatives including waste and recycling;
- the risk of litigation;
- emergency planning;
- financial guarantees;
- grant income;
- future budget projections.

	Area of Risk	Explanation
1.	Inflationary Pressures	Historically the cost of pay awards has caused major variations to budget estimates. The 2024/25 budget proposals assume a pay rise of c. 5% in line with expectations across the whole public sector. With CPI currently recorded at 4% with an expectation that this is likely to fall back to the Government's target of 2% negates the need to make a provision within the working balance to offset this risk. Inflationary risks on other costs are a factor elsewhere. The Ubico contract is driven by fuel and pay increases and a provision of 1.5% on the 2024/25 General Fund contract value (excluding asset charges which are relatively stable) suggests a figure of £146,000 should be kept as a provision within the working balance. Whilst the rising costs of energy have been factored into the base budget, other supplies and services could be subject to an uplift in prices. A further £50,000 is

	Area of Risk	Explanation
		considered prudent to be provided for within the working balance.
2.	Pension Fund Changes	The 2022 triennial review has brought a degree of certainty to future pension costs for 2023-2026. These will not impact adversely on the Council in the next 12 months so no specific provision is required at this point.
3.	Planned savings measures	The Savings Strategy identifies £3.091m of savings, efficiencies and additional income to be delivered between 2024/25 to 2026/27, of which £2.741m is required in 2024/25. Analysis of the sensitivity of our general balance levels to the delivery of savings is included on page 18 of the Medium Term Financial Strategy included in the budget proposals at Appendix 9. The analysis shows that anything less than delivery of 80% of the total target for 2024/25 means that our general balance will fall to below £1.114m by 31 March 2025. Due to the work undertaken and decisions made in 2023/24, there is confidence in at least this level of delivery however 20% of the total (est. £548,000) have been incorporated within the working balance.
4.	Interest rate variations	After a sustained period of low interest rates, the Bank of England base rate now stands at 5.25%. Whilst the majority of the Council's borrowing is fixed, our existing strategy remains to use short-term borrowing to fund elements of our capital programme identified as work in progress. The 2024/25 budget assumes interest rates for short-term borrowing is 5.35% and whilst many commentators believe that interest rates have peaked there remains some upside risk. A provision of £63,000, reflecting a further 0.5% increase is therefore provided within the working balance.
5.	Volume variations demand led	During the economic downturn associated with Covid-19 the Council was extremely vulnerable to drops in key income streams, e.g. planning fees, car parking income, etc. The budget projections reflect a reset in some of these areas to align with changing consumer behaviours and to ensure the Council is less reliant on income from car parking charges. As such a provision amounting to £200,000 to reflect the volatility is recognised in the working balance. A number of earmarked reserves are also held specifically to deal with this volatility. The Council currently budgets £0.899m from total recycling material sales in 2024/25 but this income stream has been subject to significant volatility in the prices we are receiving within the market over the last 3 years. A 15% swing in prices across the board would represent a £135,000 within our revenue budget which is provided for within the working balance.
6.	Risk of litigation contingency	The level of risk associated with litigation is considered and a provision of £100,000 is retained within the working balance, which mirrors the budget provision for supplementary approvals. The Council holds a separate earmarked reserve for planning appeals which is also available if required.
7.	Emergency planning	Whilst the Government will step in to assist in the event of a major disaster there are thresholds at which assistance is given. This threshold is 0.2% of the net budget. Financial support is then given at 85% of costs above this level. Provision of £1m would cost this Council £170,000 which is provided for within the working balance; the cash flow impact would need to be handled from invested cash balances.
8.	Financial guarantees/ contingent liabilities	Run-off of the old Municipal Mutual Insurance claims has begun but no provision is required at this stage.
9.	Grant income	A number of one-off grant streams are anticipated in the 2024/2025 budget but no

	Area of Risk	Explanation
		assumptions have been made for their continuation across future financial years. No risks have been identified around existing grant flows that require specific provision in the working balance.
10.	Business rates retention	As part of the pooling arrangement, the Council could be required to contribute to large scale revaluations such as occurred with Virgin Media via Tewkesbury Borough Council. Provision for such occurrences should therefore be included within the working balance and as such £150,000 is held. The Council holds a separate earmarked reserve for Business Rates Retention which is also available if required.
11.	The Cheltenham Trust	A contingency provision of £100,000 is to be held in general balances for any unforeseen instances incurred by the Trust as they go through re-organisation and transformation post Covid-19.

The assumptions above total £1,662,000, suggesting that we strive to maintain a working balance around this figure during 2024/25. The Council should aim to not allow the working balance to fall below this figure. The current working balance is projected to be £1,663,034 at 31st March 2025.

EARMARKED RESERVES

In order to assess the adequacy of earmarked reserves when setting the budget, the Section 151 Officer should take account of the strategic, operational and financial risks facing the authority. Accepting that there are still some areas of uncertainty, the level of reserves appears adequate at this point in time and no other changes are currently recommended, although every effort should be made to increase the level of reserves held as a way of future-proofing against further funding reductions.

It may come as some comfort for Councillors to recognise that the Council has made Voluntary Repayment Provision (overpayments against statutory debt repayments) totalling £1.626m as at 31st March 2024. If there was a further ‘shock’ to budget assumptions across the MTFS, some of this overpayment could be released to reduce the revenue charges in later years.

I have reviewed the revenue reserves and propose the transfers as identified in Appendix 5. I also consider that the financial reserves and working balance as proposed in these papers are adequate to fund spending plans for 2024/2025.

However, given the ambitions set by the Council, and the uncertainty surrounding the outcome of the Fair Funding Review and the Business Rates Retention reset, I strongly recommend that any future underspends or fortuitous windfalls are earmarked for transfer to either general balances or earmarked reserves.

3. CAPITAL HEALTH

The CIPFA Resilience Index highlights two particular indicators surrounding capital health:

- Interest Payable / Net Revenue Expenditure
- Gross External Debt

These measures only partially cover capital health as they are unable to analyse how these measures are factored in at a local level. Interest payable is more than covered by income received, which have been backed up by prudent business cases when it comes to commercial property investments and regeneration projects. The Council has also approved a prudent Minimum Revenue Provision (MRP) Policy that ensures all debt is serviced and repaid over the life of an asset.

Whilst the gross external debt level may be perceived to be high in value, this indicator alone does not reflect the strength of the Council's Balance Sheet or indeed recognise the benefits of debt such as social value, wellbeing and financial return.

The asset to debt ratio is a measure of a company's financial risk. That is, it measures how much of a company's debts could be paid off by selling its assets in case of liquidation. If it is less than 0.5, the company's ratio is strong, because the company is easily able to service their debts if they have to. If the ratio is large, like over 0.5 or especially over 1, more of the expenses are being paid by borrowed money, which might indicate less stability. With an asset to debt ratio of 0.29, the Council's ratio is therefore strong.

4. RISK ASSESSMENT

In response to the significant challenges that the Council is facing and the associated emerging risks, an integrated risk framework comprising the separate disciplines of risk management is well established in the Council and will be maintained. The Corporate Risk Register remains in place and will continue to be monitored monthly by the Chief Executive and senior officers, and reviewed regularly by Audit, Compliance and Governance Committee.

The specific risks relating to the financial environment and opportunities facing the Council are listed below and will require regular review during the course of the year as some of these become clearer:

- erosion of the council's main source of funding (council tax and business rates);
- delivery of the major change programmes and associated efficiencies;
- potential policy changes (including service specific and fiscal) following the General Election in 2024; and
- the absence of a Comprehensive Spending Review beyond 2024/25.

The Section 151 Officer is satisfied that the proposed budget, general balances and earmarked reserves adequately address these risks. Additional resilience has been assured over the long term through the decision to bring housing services under the delivery of the Council. This will ensure the Council is best placed to deliver up to £2m in efficiencies to protect services, enhance and improve the offer to residents by creating a tenure neutral approach as well as respond to new government regulations which place greater accountability on the Council for the operation and compliance of Housing Services.

5. OVERALL CONCLUSION

There is a legal requirement under the Local Government Act 1992, section 32 and 43 to set a balanced budget. The budget proposal includes budgets for expenditure and

income and uses reserves to fund one off expenditure, fund future expenditure or phase in the impact of increased expenditure per the MTFS without drawing on the General Reserve.

I am, therefore, satisfied that the proposed budget is balanced and meets the legal requirement to set a balanced budget.

My overall view is that the budget is a sound response to continuing challenging financial circumstances, which maintains services, maximises efficiencies and responds to anticipated future financial challenges.

In line with statutory duties, Councillors are asked to consider the advice provided in this report, based upon my assessment of the robustness of the overall budget and estimates in the medium term financial projections.

Whilst the Section 25 report is addressed to Councillors, it is crucial that senior officers understand its key messages, particularly how it impacts the operation of the authority within its budget.

PAUL JONES
Executive Director Finance, Assets and Regeneration (Section 151 Officer)

APPENDIX 3: NET GENERAL FUND BUDGET 2023/24 & 2024/25

GROUP **Projected cost of 'standstill' level of service**	**2023/24** **ORIGINAL** **£**	**2023/24** **REVISED** **£**	**2024/25** **ORIGINAL** **£**
Chief Executive Directorate	3,492,225	2,754,154	3,423,164
Communities & Place Directorate	12,347,059	12,345,840	12,884,289
Finance, Assets & Regeneration Directorate	7,814,318	8,965,409	7,304,397
Total Cost of Services	**23,653,602**	**24,065,403**	**23,611,850**
Capital Charges	(3,308,333)	(3,554,498)	(2,455,498)
Interest and Investment Income	(2,019,012)	(1,220,570)	(1,684,576)
24/25 Savings / Additional income identified - Appendix 4	(1,300,000)		(2,741,000)
Growth Items - Appendix 5			158,000
Use of balances and reserves	136,535	(1,208,776)	(188,527)
Transfer to/(from) General Balances	331,385	(368,531)	629,942
NET BUDGET	**17,494,177**	**17,713,028**	**17,330,191**
Deduct:			
National Non-Domestic Rate	(1,497,620)	(1,792,362)	(1,538,665)
National Non-Domestic Rate - 2020/21 (surplus) / deficit	542,146	542,146	
National Non-Domestic Rate - 2021/22 (surplus) / deficit	(967,084)	(967,084)	
National Non-Domestic Rate - 2022/23 (surplus) / deficit	(318,368)	(318,368)	167,244
National Non-Domestic Rate - 2023/24 Estimated (surplus) / deficit			307,181
National Non-Domestic Rates - S31 Grants	(4,181,908)	(4,045,605)	(4,459,746)
Green Plant Business Rates Exemption Compensation		(61,182)	
New Homes Bonus	(31,640)	(31,640)	(88,876)
Revenue Support Grant			(149,895)
Services Grant	(114,920)	(114,920)	(19,839)
Funding Guarantee Grant	(817,477)	(817,477)	(1,151,195)
Council Tax (surplus)/deficit	(33,760)	(32,989)	8,042
	(7,420,631)	**(7,639,481)**	**(6,925,749)**
NET SPEND FUNDED BY COUNCIL TAX	**10,073,547**	**10,073,547**	**10,404,442**
Band ‘D’ Tax	£230.78	£230.78	£237.68
Increase per annum	£6.70	£6.70	£6.90
Increase per week	£0.13	£0.13	£0.13
% Rise	2.99%	2.99%	2.99%
Gross Collectable Tax Base	44,090.90	44,090.90	44,217.20
Collection Rate %	99.00%	99.00%	99.00%
Net tax base	43,650.00	43,650.00	43,775.00

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Appendix 4 - Budget Savings and Additional Income

Description	Planned 2024/25 £	Planned 2025/26 £	Planned 2026/27 £	Planned 2027/28 £	Planned 2028/29 £
Debt Management					
Reduction in levels of temporary borrowing	200,000				
Repayment of principal debt to reduce annual revenue provision	121,000				
Implementation of the Council's Commercial Strategy					
Income from MX profit share	100,000				
Income from EV charging points	50,000	50,000			
Income generated from property portfolio	250,000				
Disposal of property interests in line with the Council's Asset Management Strategy - cost savings and contribution to property resources	150,000	100,000	50,000		
Review of Resources against Corporate Plan					
Channel shift of services to digital platform	60,000				
HRA re-charge of uplifted annual audit fees	50,000				
Review and re-alignment of resources for discretionary services	200,000				
Review of the Council's facilities management services	60,000				
Review of the Council office arrangements		150,000			
Transition of housing services back in-house	**1,000,000**				
Environmental Services Review	**500,000**				
Total	**2,741,000**	**300,000**	**50,000**	**-**	**-**

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Appendix 5 - Revenue Growth Items

Ref	Division	Project Name	Description	2024/25 £
1	Planning	Joint Core Strategy	Contribution for the strategic elements of the Strategic and Local Plan in partnership with Gloucester City Council and Tewksbury Borough Council. Further assessment is underway to scope the local elements	123,000
2	Wellbeing & Partnerships	Leisure and cultural service strategy and procurement.	Preparation for the re-procurement of The Cheltenham Trust contract.	35,000
				158,000

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Appendix 6 - The Capital Programme

Code	Funded	Directorate / Scheme	Scheme Description	For the Final Budget Proposal Revised Budget 2023/24 £	Actual Spend 2023/24 £	Forecast Outturn 2023/24 £	Forecast Budget 2024/25 £	Forecast Budget 2025/26 £	Forecast Budget 2026/27 £
		FINANCE & ASSETS							
CAP516	PB	Gloucestershire Airport Limited	Runway repairs	1,839,571	416,347	416,347	-	-	-
CAP515	PB/Capital Grant	Minster Innovation Exchange and Minster Gardens	20,000 sq ft purpose-built commercial space adjacent to the Minster	4,117,779	2,746,605	3,266,605	-	-	-
CAP522	GF Cap receipts	Electric Vehicle Charging Points	Infrastructure to support the delivery of EV charging points	75,000	-	-	-	-	-
CAP524	PB	Green Investment Fund - Upgrade of the Building Management System	Installation of a new building management system to reduce energy usage across the main buildings in our portfolio.	143,513	63,551	100,000	-		
CAP513	GF Capital Receipts	Smart Working project	Municipal Offices ground and first floor refurbishment	125,000	124,646	124,646	-	-	-
CAP518	GF Cap receipts	Sandford Park toilets	Provide for new public toilet provision at Sandford Park	150,000	-	-	-	-	-
CAP521	Capital Grant Funding/Capital	Montpellier Toilets Refurbishment - including Changing Places	To improve public toilet provision in the town.	600,000	16,409	50,000		-	-
CAP109	Partner funding	Pittville Steps	The restoration of the Pittville Pump Room steps which is to be funded by external resources and project managed by CBC.	60,125	54,657	55,536	-	-	-
CAP026	GF Cap receipts	IT Infrastructure	5 year ICT infrastructure strategy	332,348	41,575	75,000	175,000	175,000	175,000
CAP227	PB	Housing Delivery	Enabling the delivery of Private Rented Sector (PRS) Housing through Cheltenham Borough Homes	4,500,000	-	-	4,500,000	4,500,000	4,500,000
CAP228	Partner funding	Housing Enabling	Expenditure in support of enabling the provision of new affordable housing in partnership with registered Social Landlords and the Homes and Communities Agency (HCA)	252,746	-	-	-	-	-
CAP606	GF Cap receipts	Crematorium Scheme - existing chapel	Redevelopment of existing chapel	275,313	13,520	15,000	-	-	-
CAP517	Partner funding	Imperial Gardens Railing Restoration	The restoration of the Imperial Gardens Railing to be funded by external resources and project managed by CBC. £100k	10,119	10,119	10,119	-	-	-
	Capital Grant/Receipts	Leisure @ EVO Project	To upgrade the AHU and Heating system to air and ground source heat pumps in line with the SALIX funding bid.	-	-	-	347,502	-	-
	Capital Receipts	Digital Platform for the Cem & Crem	To develop a digital platform to replace the current records system used by Bereavement Services				55,000		
	PB	Civic Events Space	Funding for an event space to become a potential Council Chamber and meeting space following the sale of the Municipal Office building.				500,000		
CAP3**	PB	CTFC Solar Panels	Grant loan towards solar panels at CTFC	40,000	40,000	40,000	-	-	-
				12,521,514	**3,527,429**	**4,153,253**	**5,577,502**	**4,675,000**	**4,675,000**
		PLACES & COMMUNITIES							
CAP030	GF Cap receipts	Carbon Neutral agenda	Seed funding to deliver the actions needed, as outlined in the report to Full Council in October 2019, to facilitate the Council's ambition to become carbon neutral by 2030.	145,388	33,783	145,388	-	-	-
CAP032	Capital Grant contribution	Public Sector Decarbonisation Scheme	Installation of the sub-meters in line with the SALIX grant application	-	1,443	1,443	-	-	-
CAP010	Revenue Reserves	Digital Platform	Implementation and roll out of the new digital platform across the Council	54,000	-	-	-	-	-
CAP135	GF Cap receipts	Commercialisation opportunities within the Cheltenham Trust	Invest a sum of £1m to pump prime the commercial opportunities identified by The Cheltenham Trust (including investment which both sustains and grows income at the Town Hall);	400,000	8,820	20,120	-		
CAP306	GF Cap receipts	In Cab Technology	The introduction of an In-Cab system would reduce the mileage required to be completed by Ubico, because it would guide the crew around their collection route and would largely eliminate mistakes.	88,046	-	88,046	50,000	-	-
CAP607	Partner funding	The Burrows Improvement Project	Forward funding for the Leckhampton playing field works.	49,958	52,105	49,958	-	-	-
CAP204	GF Cap receipts	Public Realm Investment - Grosvenor Street Car Park	Improving linkages to the High Street, signage and decoration.	115,500	-	-	-	-	-
CAP201	GF Cap receipts	CCTV	Additional CCTV in order to improve shopping areas and reduce fear of crime	121,980	-	-	226,281	-	-
CAP205/6/7	GF Cap receipts	Public Realm Improvements - High Street Phase 2	Public Realm in the Strand / Cambray	358,951	56,026	70,605	-	-	-
CAP107	Section 106 Funding	Public Art	Public Art investment in line with Section 106 funding agreements	15,000	15,000	15,000	-	-	-
CAP221	Better Care Fund	Disabled Facilities Grants	Mandatory Grant for the provision of building work, equipment or modifying a dwelling to restore or enable independent living, privacy, confidence and dignity for individuals and their families.	513,708	350,891	513,708	500,000	500,000	500,000
CAP223	Partner funding	H&S, vacant property & renovation grants	Assistance available under the council's Housing Renewal Policy	201,808	89,739	145,483	-	-	-
CAP224	Better Care Fund	Warm & Well	A Gloucestershire-wide project to promote home energy efficiency, particularly targeted at those with health problems	21,800	-	-	18,400	18,400	18,400
CAP101	Section 106 Funding	Clyde Scooter Skate Park	Developer Contributions	17,780	-	-	-	-	-
CAP034	Capital Grant contribution	UK Shared Prosperity Funding - Capital Projects	Delivery of the capital projects in line with the UKSPF funding bid	79,494	57,872	79,494	300,000	-	-
CAP102	GF Cap receipts	Play Area Enhancement	We are tendering one large playground improvement contract. Both will be committed this year, but paid for in next financial year.	80,000	4,038	10,000	80,000	80,000	80,000
CAP609	Partner funding	The Burrows Improvement - phase two	Contribution to the works required to build the storage room for Leckhampton Rovers	19,960	19,960	19,960	-		
CAP608	GF Cap receipts	Naunton Park Improvements	Contribution to pathways and drainage work	18,903	18,903	18,903	-		
CAP501	GF Cap receipts	Allotments	Allotment Enhancements - new toilets, path surfacing, fencing, signage, and other improvements to infra-structure.	157,750	3,142	3,142	-	-	-
CAP133	GF Cap receipts	Replacement Parks & Gardens Vehicles	Replacement vehicles for parks and gardens	40,800	52,186	52,186	-	-	-
CAP301	GF Cap receipts	Vehicles and recycling equipment and receptacles	Replacement vehicles and recycling equipment	2,435,057	635,384	1,325,000	3,827,400	3,272,000	455,200
CAP110	Capital Grant contribution	Replacement of Lifeline Equipment	To upgrade the existing lifeline equipment as part of the digital switchover	280,370	-	-	-	-	-
				5,216,253	**1,399,292**	**2,558,436**	**5,002,081**	**3,870,400**	**1,053,600**
		TOTAL CAPITAL PROGRAMME		**17,737,767**	**4,926,721**	**6,711,689**	**10,579,583**	**8,545,400**	**5,728,600**

Funded by:						
General Fund Capital Receipts	4,920,036	992,023	1,948,036	4,761,183	3,527,000	710,200
Capital Reserve	-	-		-	-	-
RCCO (funded from reserves)	654,000			-	-	-
Prudential Borrowing	10,640,863	3,266,503	3,822,952	5,000,000	4,500,000	4,500,000
Partner Funding	594,716	226,580	281,056	-	-	-
Capital Grant or Contribution	359,864	75,724	130,937	300,000		
Better Care Fund	535,508	350,891	513,708	518,400	518,400	518,400
s106 Funding	32,780	15,000	15,000	-	-	-
Other Revenue Reserves	-	-	-	-	-	-
Total	**17,737,767**	**4,926,721**	**6,711,689**	**10,579,583**	**8,545,400**	**5,728,600**

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Appendix 7 - Reserves Statement 2023/24 & 2024/25

			2023/24	2023/24	2023/24	2023/24 Revised Budget Changes	2023/24	2024/25	2024/25	2024/25
			1st April 2023 £	Movement Revenue £	Movement Capital £	£	31st March 2024 £	Movement Revenue £	Movement Capital £	31st March 2025 £
	EARMARKED RESERVES	**Purpose of Reserve**								
	Other									
RES002	Pension & Restructuring Reserve	To fund future reorganisational changes	**(156,133)**	(100,000)		187,720	**(68,413)**	(50,000)		**(118,413)**
RES008	House Survey Reserve	To fund cyclical housing stock condition surveys	**(5,616)**				**(5,616)**			**(5,616)**
RES009	Twinning Reserve	Twinning towns civic visits to Cheltenham	**(8,366)**				**(8,366)**			**(8,366)**
RES010	Flood Alleviation Reserve	To fund future flood resilience work, delegated to the Flood working group for allocation	**(235,959)**				**(235,959)**			**(235,959)**
RES016	Joint Core Strategy Reserve	To fund Joint Core Strategy	**(164,780)**			123,000	**(41,780)**			**(41,780)**
RES020	Ubico Reserve	To fund enviromental services provided by Ubico	**(54,000)**				**(54,000)**			**(54,000)**
RES022	Homelessness Reserve	To cover future homelessness prevention costs	**(41,100)**				**(41,100)**			**(41,100)**
RES023	Transport Green Initiatives Reserve	To fund Transport Green Initiative Schemes	**(33,825)**				**(33,825)**			**(33,825)**
RES024	New Initiatives reserve	To fund the transformation programme	**(208,269)**	93,675		(21,820)	**(136,414)**	71,855		**(64,559)**
RES025	Budget Strategy (Support) Reserve	To support budget strategy	**(171,209)**	161,757			**(9,452)**			**(9,452)**
RES026	Social Housing Marketing Assessment (SHMA) Reserve	To fund Social Housing Marketing Assessment work	**(44,034)**	(2,500)			**(46,534)**	(2,500)		**(49,034)**
RES028	Green Economic Recovery and Investment Funding Reserve	To fund Green Economic Recovery and Investment	**(137,092)**			37,000	**(100,092)**			**(100,092)**
RES030	Major Developments Reserve	To fund major Developments	**(200,000)**			200,000	**0**			**0**
			(1,460,383)				**(781,551)**			**(762,196)**
	Repairs & Renewals Reserves									
RES201	Commuted Maintenance Reserve	Developer contributions to fund maintenance	**(36,519)**	12,172			**(24,347)**	12,172		**(12,175)**
RES204	I.T. Repairs & Renewals Reserve	Replacement fund	**(217,200)**	(50,000)			**(267,200)**	(50,000)		**(317,200)**
RES205	Property Repairs & Renewals Reserve	20 year maintenance fund	**(402,000)**	102,000		30,000	**(270,000)**	102,000		**(168,000)**
RES206	Delta Place Reserve	maintenance fund	**(350,226)**	(50,000)		176,000	**(224,226)**	(50,000)		**(274,226)**
RES207	Ellenborough House Dilapidations Reserve	maintenance fund	**0**	(30,000)			**(30,000)**			**(30,000)**
			(1,005,945)				**(815,773)**			**(801,601)**
	Equalisation Reserves									
RES029	Council Tax Appeals Equalisation Reserve	To fund fluctuations in overpayment of court costs	**(53,926)**				**(53,926)**			**(53,926)**
RES101	Rent Allowances Equalisation	Cushion impact of fluctuating activity levels	**(100,000)**				**(100,000)**			**(100,000)**
RES102	Planning Appeals Equalisation	Funding for one off appeals cost in excess of revenue budget	**(76,612)**				**(76,612)**			**(76,612)**
RES105	Local Plan Equalisation	Fund cyclical cost of local plan inquiry	**(9,795)**				**(9,795)**			**(9,795)**
RES106	Elections Equalisation	Fund cyclical cost of local elections	**(66,887)**	(62,100)			**(128,987)**	55,000		**(73,987)**
RES107	Car Parking Equalisation	To fund fluctuations in income from closure of car parks	**(150,000)**				**(150,000)**			**(150,000)**
RES108	Business Rates Retention Equalisation	To fund fluctuations in income from retained business rates	**(23,820)**	(250,000)		(108,609)	**(382,429)**	300,000		**(82,429)**
RES109	Cemetery income Equalisation reserve	Additional Crematoria income to 2nd chapel build scheme	**(75,000)**				**(75,000)**			**(75,000)**
RES110	HMO Licenses Equalisation	To fund fluctuations in income from HMO Licenses	**(29,334)**	29,334			**0**			**0**
			(585,374)				**(976,749)**			**(621,749)**
	Reserves for commitments									
RES301	Carry Forwards Reserve	Approved budget carry forwards	**(931,147)**	931,147			**0**			**0**
	CAPITAL									
RES402	Capital Reserve - GF	To fund General Fund capital expenditure	**(79,115)**	(200,000)			**(279,115)**	(200,000)		**(479,115)**
	TOTAL EARMARKED RESERVES		**(4,061,965)**				**(2,853,189)**			**(2,664,662)**
	GENERAL FUND BALANCE									
B8000 - B8240	General Balance - RR	General balances	**(1,401,623)**	(152,258)		520,789	**(1,033,092)**	(629,942)		**(1,663,034)**
			(1,401,623)				**(1,033,092)**			**(1,663,034)**
	TOTAL GENERAL FUND RESERVES AND BALANCES		**(5,463,588)**	**433,227**	**0**	**1,144,080**	**(3,886,281)**	**(441,415)**	**0**	**(4,327,696)**

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Appendix 8 - Proposed Planned Maintenance Programme 2024- 2025

Priority Grading
Priority 1: Critical work that will prevent immediate closure of premises, and/or address an immediate high risk to health & safety of occupants, and/or remedy a serious breach of legislation
Priority 2: Essential work required within two years that will prevent deterioration of fabric or services, and/or to the health & safety of occupants, and/or remedy a lesser breach of legislation
Priority 3: Desirable work required within two years that will prevent deterioration of fabric or services, and/or to the health & safety of occupants, and/or remedy a lesser breach of legislation

Order of Estimated Cost		2024 - 2025
		Priority
Property Name	Description	1
All Properties (H&S)	Compliance/ H&S remedial work (including Fire, Legionella & Asbestos remedials)	40,450
All Properties (H&S)	Top up for reactive	130,000
Bridges	Bridge inspection reports and remedials	5,000
Benhall bridge	Essential repair works following survey report	5,000
Swindon Road Bridge	Birdproofing works and repairs	15,000
Rec Centre	Investigate water ingress issues to swimming pool drainage channels	20,000
Rec Centre	Replacement heat pumps (rolling programme)	20,000
Rec Centre	Cathodic protection design works	20,000
Rec Centre	Installation of wetside plant room channel drain to overcome flooding	5,000
Central Depot	Ongoing repairs to service road	10,000
Central Depot	Ongoing roof repairs to various buildings	10,000
Central Depot	Works to trees/ drainage system	10,000
Beeches Pavillion	Waterproofing works	5,000
Ron Smiths Pavillion	Application of anti-climb paint to roof	5,000
Municipal offices	External fabric survey to ensure safety of stonework	10,000
Municipal offices	Heating controls and associated pipework upgrade	35,000
Art Gallery and Museum	Stonework remedial works	10,000
Art Gallery and Museum	Replacement extractor fan to Kitchen	5,000
St Mary's Mission	Lower flat Roof Replacement	10,000
Town Hall	Stonework remedial works	10,000
Town Hall	Replacement paving slabs to East elevation	15,000
Town Hall	Abrastive scrub to hall floor	5,000
Town Hall	Replacement wheels to stage extensions	5,000
Pump Rooms	Repairs arising from stonework surveys	10,000
Pump Rooms	Internal plasterwork repairs arising from survey	10,000
Pump Rooms	Dome repairs including redecoration	10,000
Pump Rooms	Replacement of rear skylights	5,000
St Mary's Minster	Churchyard wall repairs	15,000
Whish Fountain Aedicule	Stonework repairs and cleaning	7,000
Old Chapels	Remedial works arising from stonework surveys (cloisters, lead bays)	20,000
Cemetery Gardens	Ongoing resurfacing/ pothole repairs to roads and footpaths inc line marking	25,000
Cemetery Gardens	Phase 4 water main renewal	10,000
Cemetery Gardens	Stonework repairs to ornamental bridges	5,000
Cemetery Office	Renew windows and blinds	15,000
Charlton Kings Cemetery	Lych Gate refurbishment	5,000
Town Centre East Car Park	Deep clean to decks	6,000
Town Centre East Car Park	Remedial works following vandalism	10,000
Town Centre East Car Park	Renew direction line markings	2,500
Chelt Walk Car Park	Resurface uneven gravel areas	5,000
Chelt Walk Car Park	Line marking	3,000
Springbank Car Park	Line Marking	2,500
Bath Terrace Car Park	Line Marking	2,500
Royal Well Car Park	Renew perimeter fencing	10,000
Imperial Gardens Toilets	Redecoration and renewal of sanitary fittings	5,000
Honeybourne Line	Structural surveys and ongoing repairs to walls	10,000
Sub Totals:		**598,950**

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Medium Term Financial Strategy

2024/25 – 2028/29

CHELTENHAM
BOROUGH COUNCIL

cheltenham.gov.uk

Introduction

The Council's corporate plan 2023-2027 sets out five key priorities:

Key Priority 1
Enhance Cheltenham's reputation as the cyber capital of the UK

Key Priority 2
Working with residents, communities and businesses to help make Cheltenham net zero by 2030

Key Priority 3
Increasing the number of affordable homes through our £180m housing investment plan

Key Priority 4
Ensuring residents, communities and businesses benefit from Cheltenham's future growth and prosperity

Key Priority 5
Being a more modern, efficient and financially-sustainable council

The Medium Term Financial Strategy ("MTFS") is the Council's key financial planning document for the General Fund budget. It sets out how the Council's priorities will be funded over the MTFS period and the financial pressures and risks which need to be mitigated in order to successfully deliver this. The diagram below shows how the MTFS is the overarching framework which supports all other financial strategies, plans, policies and decisions.

Category	Overall	Revenue	Capital	Treasury Mgmt	Risk Mgmt
Strategies	Medium Term Financial Strategy				
	Investment Vision and Principles				
	Commercial Strategy	Investment Strategy	Capital Strategy	Treasury Management (TM) Strategy	Risk Management
	Asset Management Strategy		Housing Investment Plan		
Guidance	CIPFA and Technical Guidance	Budget Guidance	Capital Guidelines	CIPFA Code for Practice for TM	Risk Management Guidance
Plans	MTFP Projection	Annual Budget	Capital Programme & Asset Management Plan	Treasury Policy Statements	Risk Register
Governance	Constitution and Annual Governance Statement	Quarterly Performance Reports		Prudential Indicators and Annual Report	Risk Register reporting and regular review
	Contract and Finance Procedure Rules				Audit Committee and Cabinet Reports
	Internal and External Audit Plans and our response to audit review				
Decision Making	Cabinet/Council				

The Council have faced unprecedented financial challenges over the last two years in providing the resources and support to manage the response to the Covid-19 pandemic and then rising costs and challenges faced by the cost of living crisis. This is in addition to the ten years of austerity and year on year cuts to the Council's Government funding.

With inflation still higher than the Government's target and interest rates running at their highest since 2008, the forecast for 2024/25 continues to be some of the most challenging times for Local Authorities.

This Council was one of, if not the first council to publish a Recovery Strategy in 2020 in the middle of a global pandemic. That early publication and consultation enabled the Council to clearly signal recovery aims and objectives. The economy was, and continues to be in an extremely difficult position nationally and responding dynamically was seen as the best way to support the rest of the town to recover.

This MTFS is underpinned by the Council's corporate priorities and the belief that Cheltenham should be a place in which everyone can thrive. Specifically, the six key principles guiding our approach to investing and financial planning for recovery include:

- Help all our communities to benefit and prosper from our strong local economy
- Work together with everyone in our networks to improve our borough and support our residents to be healthy, our communities to be strong and our businesses to thrive
- Be commercially minded to keep costs down and our council financially stable, so we always provide value for money to the taxpayer
- Use data and research to drive improvement, listening carefully to our residents, communities and businesses to underpin informed decisions
- Ensure the climate emergency agenda is at the forefront and integral to all our decision-making
- Be risk aware, rather than a risk averse

The Housing Revenue Account (HRA) is excluded from the MTFS, as a separate budget and Business Plan is produced for the HRA to cover its planning processes and the implications and arrangements for funding the objectives in the business plan.

Contents

The purpose of this document is to produce a robust and thoughtful MTFS which captures the growing needs and continuing aspirations of the Council after a period of prolonged public spending austerity and a cost of living emergency. The following areas are considered and discussed:

Section 2 NATIONAL AND LOCAL FINANCIAL RISKS

Section 3 OUR MEDIUM TERM BUDGET STRATEGY

Section 4 OUR RESERVES STRATEGY

Section 5 OUR SAVINGS STRATEGY

2. National and Local Financial Risk

Introduction

The Council have faced unprecedented financial challenges over the last two years in providing the resources and support to manage the response to the Covid-19 pandemic and then rising costs and challenges faced by the cost of living crisis. This is in addition to the ten years of austerity and year on year cuts to the Council's Government funding.

With inflation still higher than the Government's target and interest rates running at their highest since 2008, the forecast for 2024/25 continues to be some of the most challenging times for Local Authorities.

This section of the MTFS outlines the wider economic context in which this MTFS has been set as well as the national and local risks which have been considered in its development.

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Wider Economic Context

The 2024/25 draft budget proposal has been set based on a set off assumptions about the economic outlook for the next 18 months. Inflation currently sits at 4.6%, the lowest level it has reached since the 2022/23 draft budget was presented in December 2021, after reaching its the highest level in nearly 40 years in 2022/23. Although the current forecast is a much more positive position than was forecast in February 2023, any rate of inflation still means that the Council's core costs will rise when compared to what is currently paid and is still higher than the uplift to Council Tax or that is applied to the Council's Government funding.

The most significant inflationary cost increase the Council have experienced over the last two years is the rising price of oil and gas. In December 2021 average costs were 15-20p per kWh for electricity and 5-10p per kWh for gas. During 2023/24, before the Government's announcement on the energy price cap this rose to 56p for electricity and 16p for gas. This has significantly increased the running cost of the Council's buildings, both operational and those open to the public to deliver our core services. Although costs are starting to reduce and controls have been put in place to broker energy at low market points, focus remains on reducing consumption to work towards net zero by 2030.

The Bank of England base rate increase is also one of the most significant pressures the Council's budget has ever seen. When the draft budget for 2023/24 was prepared the base rate was 3.5%, the highest since 2008. It was assumed based on treasury advice that this would increase to 4.25% in 2023/24. This forecast came to fruition in April 2023 and has increased three times since. The base rate is currently 5.25% and there is ongoing uncertainty about how long it will remain at this level.

These economic factors place unprecedented pressures on the Council's budget at a time when there is already uncertainty around long term funding and the resilience of balances and reserves.

National Risk Factors

Uncertainty about future funding

The Local Government Settlement for 2024/25 received in December 2023 provides only a one year Settlement with no guarantee that the same levels of funding will remain in 2025/26 and a review of funding formulas expected from 2026/27 onwards. This means the period of uncertainty about Local Government funding continues making long term financial planning extremely difficult. This is compounded by the guarantee of a General Election in 2024 creating uncertainty over the approach to local Government funding in 2025/26 onwards.

The National Fair Funding Review (FFR) was expected to conclude in 2022/23 but has now been deferred until 2025/26 at the earliest although due to elections this is assumed to be 2026/27 in the modelling. The objective of the FFR is to review the underlying needs formula and distribution methodology used for assessing need and allocating funding to Local Government. The formula has not been reviewed since 2013 and is expected to be closely linked with the principles in the Government's Levelling up White Paper published in February 2022.

The Department for Levelling Up, Communities and Housing are looking for a formula based model with common cost drivers such as population, accessibility and remoteness with the principles of being simple, transparent, contemporary, sustainable, robust and stable.

The intention has been for each local authority to be set a new baseline funding allocation based on an assessment of relative needs and taking into account their relative resources. The timeline for its introduction is currently 1 April 2025 and the Government have committed to putting in place transitional arrangements to 'smooth' the impact, referred to as 'damping'. However, as outlined above due to the requirement for an election in 2024 it is assumed that there will be no changes to funding formula until 2026/27 at the earliest.

In assessing relative resources, the Government is working on the principles that there will be no redistribution of council tax or fees and charges between authorities and they do not intend to reward or penalise authorities for exercising local discretion. The Government had therefore intended to use a notional council tax level rather than the actual council tax level, which will determine whether a council's share of total need is higher than its share of taxbase.

The impact on our current MTFS is that from 2026/27 onwards we have been prudent in our assumptions on the funding available. The funding set out in the 2024/25 Settlement is guaranteed for one year only and there is no certainty over how long the Service Grant and 4% Funding Guarantee would continue and at what level for Cheltenham. We have assumed that no new additional funding will be available from 2026/27 to replace the current levels.

National Risk Factors (continued)

Business rates retention

Business Rate income generated under the Retained Business Rates funding mechanism is an important income stream, but is complex and potentially volatile. The Retained Business Rates scheme places considerable financial risk on the Council in terms of fluctuating business rates and funding the costs of business rate appeals, which directly affect the income that the Council can recognise.

Alongside the FFR, the Government is planning to consult on how the new scheme post 2025 can continue to reward and incentivise growth, whilst mitigating the risk of appeals and longer term impact of Covid-19 and the cost of living emergency.

Under the current system roughly £13bn per year of business rates income is kept by Central Government to fund local authority services. This is referred to as the "Central share" and is redistributed to councils in the form of Revenue Support Grant (RSG) and other grants. In future, if this sum is retained by local authorities, new burdens of a broadly similar value will be passed across to local government. As a result local government will not initially have more funding; over the longer term this will depend on whether business rates grow faster or slower than local authority service demands and costs, and to add further complication will depend on where the revised business rates baseline is set for the council following the review.

The council's business rates baseline is £2.841m and due to retained growth, £5.523m is forecast to be generated and support the base budget in 2024/25. It is proposed that the new baseline will be set taking into consideration retained business rates income and this will be compared to the reassessed needs of the Borough resulting in either a top-up or tariff to manage the difference between the two. Clearly the future of Business Rates has been thrown into question as a result of the devastating impact on the retail, leisure and hospitality sector from the pandemic and as businesses struggle through the current economic challenges.

Growth will be calculated as business rates income in excess of the revised baseline and will continue to be shared with the upper tier authority; the split of which is yet to be determined and forms part of the current Government thinking on Business Rates Retention. The Medium Term projections include growth in our baseline business rates funding in 2027/28 from the Council's investment in the Innovation Centre and Mobility Hub in the West Cheltenham development.

Whilst it is proposed that levies on growth will no longer exist under the new system (the cost of which had been mitigated through the establishment of the Gloucestershire Business Rates Pool) it is likely that some form of safety net will remain in place, and as a result councils will be subject to local volatilities within its own economy.

Council tax

Council tax is considered an increasingly important mode of local government financing by Central Government. Prior to December 2022, the Government allowed districts to increase council tax by the higher of £5 per annum or up to 1.99%.

In the Local Government Settlement for 2023/24 this was increased to a maximum of 2.99% reflecting the Government's policy statement setting out much greater reliance on local tax generation. The Council should consider these new referendum powers when setting the budget each year when there is no guarantee over future Government grant funding.

The gross tax base is forecast to increase by 0.28% in 2024/25 against the target increase of 0.8% in the previous Medium Term Financial Strategy which means at the 2023/24 threshold we have a shortfall on the level of Council Tax expected to be collected to fund core services. In the medium term forecast for 2024/25 there is an assumed growth of 0.5% in the tax base per annum, slower than forecast growth before the pandemic.

There is a corresponding cost to increasing the tax base with additional properties and residents to service which needs to be recognised and captured at certain steps or "trigger" points e.g. refuse / recycling collections. It is not expected in the five year MTFS presented here that this trigger point will be met but this will be subject to ongoing review as the West and North West Cheltenham developments progress.

Fees and Charges

A significant proportion of the council's funding comes from fees and charges. Aside from local tax generation, this is the most important funding mechanism and one which is within the council's gift to control, subject to any legislative, economic or political constraints.

However, as more reliance is placed on income there is increased pressure to understand current performance levels coupled with the risks and opportunities arising from each income stream whether it is new or existing. It is also important to consider how resilience each income stream is so that appropriate levels of mitigation can be put in place under a Reserves Strategy to meet dips arising when circumstances change.

Local Risk Factors

Changes in customer behaviour

The last two years with the pandemic and the cost of living emergency have created a huge amount of financial uncertainty nationally as well as within Cheltenham. When there is no certainty over when economic circumstances will become more stable, there continues to be an impact on customer behaviour, which in turn affects our commercial income and the town's economy.

Changes to customer behaviour and the way our services are accessed has changed with no certainty as to whether this will be permanent or temporary and what this means for how we fund and operate our services. It also means we need to continue investing in technology, in particular the digital platform to meet the changing requirements of our residents and service users.

Since its adoption in 2018 the key mechanism driving our response to funding challenges has been our commercial strategy. This has driven an innovative and enterprising mind-set and we have adapted to generate income in different ways to support our general fund budget and deliver against our Corporate Priorities.

This strategy will be refreshed in 2024, which provides an opportunity to reset our approach in line with the 2023-2027 Corporate Plan to ensure we continue to be financially sustainable whilst continuing to support economic recovery and growth and our climate change ambitions for the town.

Resources

Concerns around the council's capacity and resources available to deliver multiple competing priorities is a key consideration for the Executive Leadership Team and Cabinet when considering the funding of the revised priorities in the 2023-27 Corporate Plan and the delivery of the proposed Savings Strategy. This will continue to be addressed as part of the council's continued organisational review including the transition of housing services back in-house which will be implemented through 2024/25.

The objective of this review is consistent with the budget strategy approach to realign base budgets, identify opportunities to do things differently and make one-off budgetary provision to support the delivery of priority schemes being supported and delivered. This specifically relates to supporting sustainable and green economic recovery and growth in the town.

The key risk of not reviewing organisational capacity is that if resource is not deployed to allow focus on the schemes which are of financial importance to the council then the proposed Savings Strategy will not be delivered within the timescales required.

2. Projected Budget Gap

The MTFS develops a series of financial projections to determine the longer term financial implications, in order to deliver the Council's priorities. As in previous years, the approach is to use the current financial year as a base position, inflate this to the price base of the budget year, and add unavoidable spending pressures and the implications of immediate priorities and previous decisions. This is then measured against the projection of available funding to determine affordability which determines the funding gap. The package of measures required to equalise the two calculations forms the "Savings Strategy" identified in section 5.

Closing a gap of this size in 2024/25 is a huge challenge for the Council, but the challenge is being met by a proactive approach to reviewing the prioritisation of our resources and identifying budget efficiencies, carried out by the Cabinet and the Executive Leadership Team. This work has already made significant progress towards bridging the gap, having identified at this early stage potential efficiency savings which are moving into a delivery phase.

The projection of the funding gap is shown in Table 1 below:

Table 1: Projection of Funding Gap	2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £
Net Cost of Services brought forward from previous year (assuming a balanced budget has been set)	17,927,404	19,290,334	16,888,775	17,152,298	16,298,897	15,863,666
IN YEAR BUDGET VARIATIONS						
Increased costs of existing services						
General Inflation	623,076	(84,352)	70,000	70,000	70,000	70,000
Energy costs	272,694	(250,400)	(150,000)	(100,000)	(100,000)	
Employee and Members related expenditure	249,667	421,160	412,000	412,000	412,000	412,000
Shared Services contract inflation		52,591	39,250	39,250	39,250	39,250
Publica contract inflation	12,521	40,950	20,000			
Ubico contract	(278,120)	846,675	700,000	500,000	500,000	500,000
RE-PROFILING OF BASE BUDGET						
In Year Salary Underspend	(799,160)	799,160				
Re-basing expenditure budgets to reflect changes in operational activity	306,597	(218,757)	(120,000)	84,000		
Carry Forward Budget reversal		(931,147)				
INCOME						
Other operational buildings	95,592	(18,073)				
Fees and Charges	681,463	(921,885)	(230,400)	(137,400)	(230,400)	(137,400)
Other inflationary uplifts on re-charges to partners	(272,995)	144,006	(36,000)	(36,000)	(36,000)	(36,000)
Interest Payable and Receivable	515,373	(322,487)	(175,000)	(215,000)	(117,000)	
Minimum Revenue Provision & VRP	(43,778)	1,099,000	(139,327)	29,749	26,919	
Pension Costs			(267,000)	(1,200,000)		

Table 1: Projection of Funding Gap	2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £	2028/29 £
SAVINGS STRATEGY		(2,741,000)	(300,000)	(50,000)		
Growth Item's		158,000	(35,000)			
Flexible use of Capital Receipts (See Appendix 10)		(475,000)	475,000			
Growth in Council Tax Base from Development Activity				(250,000)	(400,000)	(200,000)
Growth in Business Rates from Innovation Centre and Mobility Hub					(600,000)	
Projected Net Cost of Service before reserves	19,290,334	16,888,775	17,152,298	16,298,897	15,863,666	16,511,516
RESERVES						
Contribution to / (from) Budget Strategy support reserve	(161,757)		50,000	(59,452)		
Contribution to / (from) Business Rates Retention Reserve	358,609	(300,000)				
Net contribution to/(from) earmarkets reserves	(1,405,628)	111,473	308,000	300,000	200,000	200,000
Contribution from VRP						
Contribution to / (from) General Balances	(368,531)	629,942	108,968	(42,680)	43,855	(119,762)
FUNDING						
Business Rates	(1,792,362)	(1,538,665)	(6,000,000)	(4,200,000)	(4,420,000)	(4,500,000)
Damping				(1,000,000)		
NNDR S31 Grants	(4,045,605)	(4,459,746)				
National Non-Domestic Rate - Net surplus' / deficit's	(743,306)	474,425				
Council Tax Collection Fund (surplus) / deficit contribution	(32,989)	8,042				
Council tax income assuming council tax increases by 2.99% per annum from 2023/24	(10,073,547)	(10,404,442)	(10,769,267)	(11,146,766)	(11,537,522)	(11,941,755)
New Homes Bonus	(31,640)	(88,876)				
Green Plant Business Rates Exemption Compensation	(61,182)					
Revenue Support Grant		(149,895)	(150,000)	(150,000)	(150,000)	(150,000)
2022/23 Service Grant	(114,920)	(19,839)				
3%/4% Funding Guarantee	(817,477)	(1,151,195)	(700,000)			
Projected Reserves & Funding	(19,290,335)	(16,888,776)	(17,152,299)	(16,298,898)	(15,863,667)	(16,511,517)

The projections above reflect a funding gap for the period 2024/25 to 2028/29 of £3.091m (i.e. the financial gap between what the Council needs to spend to maintain existing services). This is a decrease of £2.039m compared to the five year projection in 2023/24 as it is now expected that the triannual review of the Council's Local Government Pension Fund at 31 March 2025 is likely to reduce both the primary and secondary contributions required to be funded by the Council. Likewise following the submission of the outline planning permission and approval of the Development Funding Agreement conditions for the West Cheltenham development, work has also been undertaken to estimate the growth in Council Tax and Business Rates that this investment will produce for the Council.

The key assumptions for the preparation of these projections are explained below.

The net costs of services have been estimated by using the approved 2023/24 base budget as the base for future projection's though to 2028/29.

Inflation

Inflation has historically been included in the MTFS at 2% on insurances, utilities, postage, IT maintenance agreements and non-domestic rates. However, a different approach was taken in 2023/24 when inflation peaked at 11.1% in the 12 months to October 2022 and the inflationary uplift on costs was increased proportionally in 2023/24. The financial projections included in the MTFS for 2024/25 have reduced inflation back down to 4.6% in line with the September 2023 levels then decreasing gradually down to 3% in the years after. Where information is available, major contracts and agreements are rolled forward based on the specified inflation indices in the contract or agreement.

As noted in the previous section, energy costs been subject to one of the largest inflationary increases over the last two years. Work has been undertaken to broker our energy at lower rates as well as reducing usage across our portfolio, including the leisure centre. The base budget for energy has been gradually reduced over the five year period of the MTFS as these initiatives are embedded across the organisation.

The costs incurred in the general fund and re-charged to partner organisations have also been subject to the same inflationary increases.

Contract costs

A number of services are delivered by or for the Council through service or shared service contracts. Where the cost of these contracts have been increased in 2024/25, this is to reflect inflation and wage increases. These have been much larger than previous budgets to reflect the increase in the pay awards in 2022/23 and 2023/24 resulting from the increase in inflation.

In addition, the cost of the council's environmental services contract provided by Ubico has also been subject to a 6.3% increase in 2024/25, on top of the 15.5% in 2023/24. This is to cover pay increases, increased fuel costs and other inflationary pressures.

Employee related costs

For budget modelling, a 4% pay increase has been assumed in 2024/25 and a 2% increase throughout the duration of the MTFS post 2024 with a further 1% contingency included to bring the budget in line with expectations across the whole Public Sector. The same increase has been applied to Members allowances to ensure they fall in line with the anticipated employee annual pay award.

The Council is part of the Gloucestershire Pensions Fund, which is administered by Gloucestershire County Council. The rate of contribution paid to the fund by participating employers is set following a triennial revaluation of the Fund by the appointed actuary. The triennial revaluation of the Fund based on the position as at 31 March 2022, found that the Fund's objective of holding sufficient assets to meet the estimated current cost of providing members' past service benefits had been met at the valuation date.

This is the result of a strategy undertaken to make large lump sum payments to cover the shortfall in secondary pension contributions to recover the deficit. The primary contributions will continue to be reviewed over the MTFS period to make sure the future cost of existing member's service benefits continue to be covered.

Interest costs

The Bank of England base rate increase is one of the most significant pressures our budget has seen over the past 18 months. Since December 2022 the base rate has increased from 3.5% to its current rate of 5.25% and there is significant uncertainty about when and how quickly this may reduce.

As a net borrower, the speed of the rise in interest rates has created a budget pressure for the Council during 2023/24 and into 2024/25. It is forecast that the net impact of interest rate rises will require an additional £515k of revenue funding in 2023/24, reducing in 2024/25 but still requiring £193k more funding that forecast in December 2022.

Fewer large financial commitments in 2024/25 means there will be more cash in the system and the requirement to take out short term temporary borrowing to cover cash outflows won't be necessary. The assumptions included in the MTFS are based on a reduction on the interest rates paid on our temporary borrowing from 5.3% in 2024/25 to 3% by 2027/28. More detail will be covered in the 2024/25 Treasury Management Strategy, which will be published in the spring.

Fees and charges

In previous years, a general assumption for a 2% increase in non-statutory fees and charges has been factored in. In 2021/22 the council opted for a fundamental year on year review of fees and charges.

However, a different approach was taken in 2023/24 when inflation stood at 10.1% in the 12 months to September 2022 and the inflationary uplift on fees and charges was increased proportionally for 2023/24. The financial projections included in the MTFS for 2024/25 have reduced inflation back down to 4.6% in line with the September 2023 levels then decreasing to 2% in year two onwards, with car parking fees subject to a bi-annual consultation.

Retained business rates

The Business Rates Retention Scheme was introduced on 1 April 2013. Under the Scheme, the Council retains some of the business rates raised locally. The business rate yield is divided – 50% locally and 50% to the Government. The Government's share is paid into a central pool and redirected to local government through other grants. Of the 50% local share, the district councils' share has been set at 80%, with the County Council's share being 20%. A tariff is applied to reduce the local share to a baseline funding level set by the Government. Where the value of retained business rates exceeds the baseline funding level, 50% of the surplus is paid over to the Government as a levy; the remaining 50% can be retained by the Council.

In order to maximise the value of business rates retained within Gloucestershire, the Council entered into the Gloucestershire Business Rates Pool. Being a part of the Pool has the benefit of reducing the government levy from 50% to 15.32%. Any surpluses generated by the Pool are allocated in accordance with the governance arrangements agreed by the Gloucestershire councils.

There is a high level of volatility in the business rates system, mainly due to the level and impact of appeals lodged against rateable values but also due to the natural turnover of businesses, properties being left empty or demolished and the increasing trend for commercial properties to be converted into domestic dwellings. These factors make it difficult to predict the level of income the Council can retain in the future.

The Medium Term projections include growth in our baseline business rates funding in 2027/28 from the Council's investment in the Innovation Centre and Mobility Hub in the West Cheltenham development.

Council tax

The taxbase represents the total number of chargeable properties in the borough, expressed as band D. The net budget requirement is divided by the taxbase to calculate the level of council tax for band D each year. The council's taxbase is forecast to increase by 0.5% each year for the purposes of modelling the MTFS and a council tax increase of 2.99 per annum is assumed since its introduction through the 2023/24 Local Government Finance Settlement.

The Medium Term projections include growth in our baseline Council Tax income generation from 2026/27 as a result of the West Cheltenham and North West Cheltenham developments.

Other Government funding sources

In 2016/17, the government offered a guaranteed four year budget to every Council, which could demonstrate efficiency savings and 2019/20 represented the final year of the four year offer. The principles of that settlement allowed authorities to spend locally what is raised locally, whilst recognising the savings already made by local government. Since then, only one year settlements have been provided to Local Authorities which has made long term financial planning very difficult. Likewise with the guarantee for a General Election in this budget year there is also uncertainty about funding levels in the medium term.

The Government funding included in the MTFS for 2024/25 includes the following:

- A New Homes Bonus payment of £88,876.
- No further continuation of the Lower Tier Services Grant for which we received £129,988 in 2022/23.
- A reduction in the Services Grant introduced in 2022/23 from £114,920 in 2023/24 to £19,839 in 2024/25.
- A one year 4% Funding Guarantee payment of £1,151,195 expected for 2024/25 only.

3. Reserves Strategy

Introduction

The Council is aspirational and horizon scanning in the approach it takes to delivering its services, and supporting those it works with in partnership to ensure Cheltenham is a vibrant and desirable place to live, work and invest. As a result, when funding has become available either through budget underspends or one-off funding, a strategy of utilising opportunities for improving and investing in the town has been followed.

In July 2021 the Council approved £250k from the reported underspend against the 2020/21 budget to Green and Sustainable Economic Recovery. This funding supported the delivery of an Ice Rink in Imperial Gardens and the re-development of the Clarence Fountain area of the town centre to provide greater green space for residents and visitors to use. Likewise, in July 2022 a proposal was approved to allocate £60k of underspend to support the Cheltenham Food network who provide a vital resource for those in the community struggling with the cost of living emergency. Both these examples demonstrate how the Council have continued to react and support the priorities of the town, even when facing difficult financial challenges itself.

However recognising the impact and uncertainty of the economic outlook on the Council's short to medium term finances requires an alternative approach to secure the continued delivery of our services. The economic pressures on the Council's budget in 2022/23 required over £2.6m of reserves to be used to balance the budget and is expected that an additional draw will also be made in 2023/24.

This means not only that there were no surpluses available to invest in the community but also places greater focus on replenishing and strengthening these reserves in the medium term. Reserves and balances are vital to ensure the Council are able to meet any unforeseen costs in the future and mitigate known risks and forecast cost pressures, particularly those arising from changes in the way local government is financed after the general election in 2024.

Earmarked reserves

The Council has, over a number of years, earmarked significant funds for specific reserves. These are reviewed twice yearly by Full Council under the guidance of the Executive Director Finance, Assets and Regeneration (Section 151 Officer). Over the course of this MTFS, the value of earmarked reserves will be reduced as they are used to finance planned expenditure.

A number of these reserves, for example the property renewals and repairs reserve will need to be replenished once spend is incurred to ensure there is sufficient funds available to continue maintenance in line with the Asset Management Strategy. The five year projections allow sufficient funding is available to do this.

Budget Rates Retention Reserve (BRRR)

The potential move to 75% locally driven funding following the introduction of 75% Business Rates Retention will build in an increased risk of volatility in the Council's financial planning. This needs to be appropriately managed and understood by the organisation as full reliance will be placed on the performance of the local economy with a drop in business rates income having the potential to force service re-prioritisation.

The BRRR should aim to be maintained to allow for the potential reduction in income arising from the risks as identified. The Council is already mitigating fluctuations in income levels arising from changes in the local economy and the impact of business rates re-assessment are still not fully understood.

Any Collection Fund and Pool surpluses over and above those assumed in the Savings Strategy are earmarked for the BRRR to ensure a base level of reserve is in place in advance of the implementation of 75% Business Rates Retention.

General Balances

General Balances are held to protect existing service levels from reductions in income levels as a result of economic downturn and other unforeseen circumstances. CIPFA's Local Authority Accounting Panel (LAAP) issued a guidance bulletin on local authorities' reserves and balances.

As part of the annual budget setting process and in reviewing the MTFS, the Council needs to consider the establishment and maintenance of reserves. These can be held for three main purposes:

- A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves;
- A contingency to cushion the impact of unexpected events or emergencies

  – this also forms part of general reserves;
- A means of building up funds (earmarked reserves) to meet known or predicted requirements.

This has been balanced by making planned contributions to general balances in 2024/25 to bring the total amount held to £1.663m.

There are however a number of key assumptions made in the 2023/24 in order to meet this level of provision. The most significant impact on the level of general balances at 31 March 2025 are the level of savings delivered and changes in the Bank of England base rate.

In the base budget for 2024/25, the Council need to deliver £2.741m of savings, efficiencies and additional income to ensure that there is funding available to replenish the general balances to post pandemic levels. This is an extremely challenging target but vital as the Council work towards financial sustainability. The table below shows the sensitivity of the general balance levels to the savings delivered. Any savings not achieved in 2024/25 would be required to be delivered in 2025/26.

	Level of General Balances				
	2024/25 £	2025/26 £	2026/27 £	2027/28 £	20287/29 £
% of total savings delivered					
60%	(566,634)	(675,602)	(632,922)	(676,777)	(557,015)
80%	(1,114,834)	(1,223,802)	(1,181,122)	(1,224,977)	(1,105,215)
Base - 100%	(1,663,034)	(1,772,002)	(1,729,322)	(1,773,177)	(1,653,415)

Clearly, achieving anything less than 80% of the proposed savings in 2024/25 will mean our general balances remain at levels lower than the assessment in the Section 25 report accompanying this budget.

Likewise, the second most significant external factor impacting our medium term forecast is the Bank of England base rate. The current forecast assumes that the rate on our temporary borrowing remains at 5.3% for 2024/25 then steps down gradually to 3% by 2027/28. The impact of rates reducing quicker than this is an increase of between £150k and £285k in general balances by 31 March 2025. This then means the base budget needed to cover the cost of borrowing is much lower in future years, further increasing the available balances to replenish reserves.

	Level of General Balances				
	2024/25 £	2025/26 £	2026/27 £	2027/28 £	20287/29 £
Remains at 5.3% for 2024/25 and 2025/26 - reducing from 2026/27 onwards	(1,663,034)	(1,597,002)	(1,339,322)	(1,266,177)	(1,146,415)
Base - stays at 5.3% in 2024/25, then decreases	(1,663,034)	(1,772,002)	(1,729,322)	(1,773,177)	(1,653,415)
Falls to 4.5% in 2024/25, 4% in 2025/26, 3.5% in 2026/27, 3% in 2027/28	(1,839,034)	(2,059,002)	(2,022,322)	(2,065,177)	(1,944,415)
Falls to 4.25% in 2024/25, 4% in 2025/26, 3.5% in 2026/27, 3% in 2027/28	(1,883,034)	(2,092,002)	(2,044,322)	(2,076,177)	(1,944,415)
Falls to 4% in 2024/25, 4% in 2025/26, 3.5% in 2026/27, 3% in 2027/28	(1,948,920)	(2,168,774)	(2,131,980)	(2,174,721)	(2,053,845)

Our Savings Strategy

As detailed in the previous sections, the council has a significant funding gap to resolve as well as a number of financial risks to manage arising predominately from the current economic environment. Given the ambitious nature of the council and its desire to ensure Cheltenham is a place where residents, businesses and visitors wish to work, visit and live the savings strategy for the medium term must reflect these aspirations and not jeopardise these core priorities whilst recognising that the net cost of the council's services must reduce over time.

In the exceptionally difficult national funding situation, the Cabinet's overriding financial strategy has been, and is, to drive down the Council's net costs via a commercial mind-set. Our aim is to hold down council tax as far as possible, now and in the longer term, while also protecting frontline services from cuts and driving sustainable economic growth– an immensely challenging task in the present climate.

An Overview of our Approach

The commercial strategy was adopted by Full Council in February 2018 with the vision "to become an enterprising and commercially focused Council which people are proud to work for and which others want to work with. We will use our assets, skills and infrastructure to shape and improve public services and enable economic growth in the Borough. We shall generate significant levels of new income for the Council working towards the objective of enabling it to become financially sustainable".

In the two years leading up to the COVID-19 pandemic, this strategy was extremely successful and was a key element of the Council's drive towards financial sustainability, identifying new opportunities to generate income and commit investment to projects which provide good financial returns.

As outlined in the local risks section above, income generated from a number of these commercial initiatives post pandemic is much lower than in 2019. We recognised this impact in the recovery budget approved by Council in November 2020 produced in response to COVID-19. The worsening economic conditions has also created some challenges for other income streams that have historically performed very well.

Interest rates and energy costs are expected to stay high for at least one more year and although work will be undertaken to reduce the temporary borrowing exposed and to reduce energy usage which will provide financial benefit in the long term, the short term challenges are still required to be managed.

This is evident in the front loading of the budget gap, with 88% of the total five year gap being required to be delivered in 2024/25. From 2025/26, through effective management of the pension funding and investment in West Cheltenham and other key developments in the town there is sufficient growth projected to balance the budget. This strategy is about making sure that the Council has the financial resilience up to then to develop this economic growth in Cheltenham.

The funding and savings strategy to close the overall budget gap over the five years of the MTFS is outlined below:

	2024/25	2025/26	2026/27	2027/28	2028/29	Total
Forecast Budget Gap	**£2,741,000**	**£300,000**	**£50,000**	**-**	**-**	**£3,091,000**
Funded by:						
Base Budget Savings	**(£2,741,000)**	**(£300,000)**	**(£50,000)**	**-**	**-**	**(£3,091,000)**

The core focus for delivering the significant savings and efficiencies required in 2024/25 will fall into four main areas:

- Debt management - using our available capital receipts to repay the principal of debt owed and reduce our reliance on temporary borrowing which is more sensitive to changes in the Bank of England base rate;
- Implementation of our commercial strategy – to generate additional income from our assets and investments;
- Continued work on the existing savings proposals to realign our resources with the Council's Corporate Priorities and deliver on savings proposals already approved by the Cabinet. This builds on work undertaken in 2023/24 to review all areas of discretionary spend in addition to the decision taken to bring housing services back in-house; and
- Review of our environmental services – as our largest single area of spend, we cannot deliver the efficiencies required to balance the 2024/25 budget without reviewing how the services are currently delivered. This includes costs directly incurred by the Council, the scope of services delivered through the Ubico contract and income generated from garden waste. The Council are committed to ensuring that all residents have access to recycling services but the rising cost of providing receptacles means delivery charges also need to be considered.

In future years, the budget proposals are targets rather than necessarily specific worked up projections of cost savings and additional income to allow the Executive team autonomy and flexibility. Engaging with stakeholders will be crucial when it comes to developing a sense of ownership in local decision-making and service delivery. Working with stakeholders will allow the council to fine tune services based on actual needs.

Conclusion

The Council has a record of accomplishment of strong financial management but is now facing a period of continued economic uncertainty as a result of funding uncertainty and continued pressure from inflation and high interest rate. The Council must stay focused on the plan set out in the 2023/24 budget to ensure resilience in its financial position across the medium term as Government delays continues around changes to Local Authority funding.

Both the Reserves and Savings Strategy should be followed in tandem, with Cabinet and the Executive Leadership Team leading the way with delivery to ensure financial stability and sustainability with the achievement of the council's vision for the future of Cheltenham.

The Cabinet believes the longer term approach to finding efficiencies to close the funding gap is fundamentally through economic growth, regeneration and investment and the efficient utilisation of our assets. This has seen a place focused investment approach offering long term investment, income through rents as well as other social and financial benefits.

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Flexible use of Capital Receipts Strategy 2024/25

Introduction

As part of the November 2015 Spending Review, the Government announced that it would introduce flexibility for the period of the Spending Review for local authorities to use capital receipts from the sale of assets to fund the revenue costs of service reform and transformation. Guidance on the use of this flexibility was issued in March 2016 which applied to the financial years 2016/17 through to 2019/20.

In December 2017 the Secretary of State announced that this flexibility would be extended for a further three years (until 2021-2022) and in February 2021 an addition extension of three years was announced. The latest extension focused on the use of capital receipts to fund transformation or other projects that produce long term savings or reduce the costs of service delivery.

In December 2023, the Government released a consultation on further flexibilities to the use of capital receipts from 1 April 2024. The consultation has not reported at the date of approval of this paper and will not impact on the existing guidance. *The proposal outlined below follows existing guidance rather than any options outlined in the consultation.*

The Guidance

The guidance issued by the Secretary of State under section 15(1)(a) of the Local Government Act 2003 specified that;

- Local authorities will only be able to use capital receipts from the sale of property, plant and equipment received in the years in which this flexibility is offered. They may not use their existing stock of capital receipts to finance the revenue costs of reform.

- Local authorities cannot borrow to finance the revenue costs of the service reforms.

- The expenditure for which the flexibility can be applied (known as ‘Qualifying Expenditure’) should be the up-front (set up or implementation) costs that will generate future ongoing savings and/or transform service delivery to reduce costs or the demand for services in future years. The ongoing revenue costs of the new processes or arrangements cannot be classified as qualifying expenditure.

- The key determining criteria to use when deciding whether expenditure can be funded by the new capital receipts flexibility is that it is forecast to generate ongoing savings to an authority’s net service expenditure.

- In using the flexibility, the Council will have due regard to the requirements of the Prudential Code, the CIPFA Local Authority Accounting Code of Practice and the current edition of the Treasury Management in Public Services Code of Practice.

To make use of this flexibility, the Council is required to prepare a “Flexible use of capital receipts strategy” before the start of the year, to be approved by full Council. This can form part of the budget report to Council. This Strategy therefore applies to the financial year 2021/22, which commences on 1st April 2021.

Examples of qualifying expenditure

There are a wide range of projects that could generate qualifying expenditure and the list below is not prescriptive. Examples of projects include:

- Sharing back-office and administrative services with one or more other council or public sector bodies;
- Investment in service reform feasibility work, e.g. setting up pilot schemes;
- Collaboration between local authorities and central government departments to free up land for economic use;
- Funding the cost of service reconfiguration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation;
- Sharing Chief-Executives, management teams or staffing structures;
- Driving a digital approach to the delivery of more efficient public services and how the public interacts with constituent authorities where possible;
- Aggregating procurement on common goods and services where possible, either as part of local arrangements or using Crown Commercial Services or regional procurement hubs or Professional Buying Organisations;
- Improving systems and processes to tackle fraud and corruption in line with the Local Government Fraud and Corruption Strategy – this could include an element of staff training;
- Setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue (for example, through selling services to others);
- Integrating public facing services across two or more public sector bodies (for example children’s social care, trading standards) to generate savings or to transform service delivery.

The Council's Proposal for 2024/25

The Government has provided a definition of expenditure which qualifies to be funded from capital receipts. This is: "Qualifying expenditure is expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. Within this definition, it is for individual local authorities to decide whether or not a project qualifies for the flexibility."

The Council has determined that the West Cheltenham (Golden Valley Development) initiative is a "Collaboration between local authorities and central government departments to free up land for economic use" and therefore meets the definition of a project that will generate qualifying expenditure.

The Council therefore intends to use the following use of capital receipts to fund the West Cheltenham (Golden Valley Development) initiative and the savings generated by this project are set out in the table below:

	2024/25 £m	**2025/26 £m**	**2026/27 £m**	**2027/28 £m**	**Total**
General Fund programme staffing costs	0.475				0.475
Savings / additional base budget income generated				(0.600)	(0.600)
Total	**0.475**			**(0.600)**	**(0.125)**

The additional base budget is generated through growth in business rates expected once the Innovation Centre and Mobility Hub are open. The business rates forecast is based on the models developed as part of the modelling of the development and assumes that the Council will still receive 40% of the total business rates payable by tenants on the site. This figure is also reflected in the Medium Term Financial Strategy forecast in Appendix 9 of this report.

Impact on Prudential Indicators

The guidance requires that the impact on the Council's Prudential Indicators should be considered when preparing a Flexible Use of Capital Receipts Strategy. The council's current capital programme does not utilise the capital receipts that will be generated to fund the above programme. Therefore, there will be no change to the council's Prudential Indicators that are contained in the Treasury Management Strategy Statement which will be presented to Full Council in March 2024 for approval.

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Appendix 11

CHELTENHAM
BOROUGH COUNCIL

Pay Policy Statement

For all employees at Cheltenham Borough Council
2024 - 2025

1. Purpose

1.1. This Pay Policy Statement (The Statement) is provided in accordance with Section 38(1) of the Localism Act 2011 and will be updated annually prior to the commencement of the new financial year.

1.2. The Statement sets out Cheltenham Borough Council's (The Council) policies relating to the pay of its workforce for the financial year 2024 -2025, in particular: -

- the remuneration of its Chief Officers
- the remuneration of its lowest paid employees
- the relationship between the remuneration of its Chief Officers and the remuneration of its employees who are not Chief Officers.

2. Definitions

2.1. For the purpose of this Pay Policy Statement the following definitions will apply:

- **Chief Officers** as detailed in paragraph 7.1 of the document.
- **Lowest paid employees** of the Council are defined as those employees (excluding Apprentices) who are in a full time or part time role, who are above the age of 21, and are paid within Grade A of the Council's Job Evaluation scheme (the lowest band). As of 1 April 2023, the Grade A band was £22,366 per annum, with only one pay point. This is in line with the Real Living Wage (in Nov 2022). New rate in Nov 2023 to be agreed at Budget Setting Council meeting (see paragraph 12).
- **Employees who are not Chief Officers** - refers to all staff not covered under the Chief Officer group detailed above.

At the time of publication of this policy statement no annual pay award has been agreed for 2024-2025.

3. Pay framework & remuneration levels

3.1. Remuneration at all levels needs to be adequate to secure and retain high-quality employees dedicated to fulfilling the council's business objectives and delivering services to the public. This has to be balanced by ensuring remuneration is not, nor is seen to be unnecessarily excessive. Each council has responsibility for balancing these factors and each council faces its own unique challenges and opportunities in doing so. Flexibility to cope with various circumstances that may arise is retained by the use of market supplements. (See Market Forces Supplement section below) for individual categories of posts where appropriate.

4. Responsibility for decisions

4.1. The Council is a member of the local government employer's association for national collective bargaining in respect of Chief Executives, Chief Officers, and all other employees.

Listed below are the separate negotiations and agreements in respect of each of these three groups.

- Chief Executives - Joint Negotiating Committee for Local Authority Chief Executives (ALACE is normally the negotiating body for pay, unless varied locally).
- Chief Officers – Joint Negotiating Committee for Chief Officers of Local Authorities
- All other employees – National Joint Council for local Government Services.

In addition to pay, the national agreements cover other terms and conditions such as:

- Pension
- Occupational sickness scheme
- Maternity scheme
- Overtime

5. Grading framework & salary grades

5.1. Grading framework

The Chief Executive and Chief Officers have their basic pay determined by a job evaluation scheme (the Hay scheme).

All other employees have their basic pay determined by a different job evaluation scheme (the National Joint Council Job Evaluation scheme). Both schemes ensure that different jobs having the same value are paid at the same rate. The “job score” determines the pay grade for the job. With the exception of the Head of Paid Service who is on a spot salary grade (with no provision for incremental progression nor additional payment on completion of a period of service), all other pay grades have between two and seven incremental points.

Employees move up one incremental point per year. Annual increments within a pay band shall be payable until the maximum incremental point of the grade is reached subject to the line manager being satisfied that an employee has achieved a suitable standard of performance. Increments may be accelerated or withheld based upon outstanding or poor performance respectively.

Annual increments will be payable on 1 April each year to the maximum of the grade. Employees must have completed a minimum of six months service in their current post to qualify for an increment on 1 April.

For clarity, employees starting in their current post between 1 April and 1 October receive an increment, if applicable, the following April. Employees starting after 1 October and before 1 April receive an increment, if applicable, after six months in the post.

Job evaluation is carried out for all new roles, for roles where a substantial change of duty has occurred, or as required as a result of an equal pay audit. A fair and transparent process is in place for managing job evaluations, which includes Trade Union input, and

moderation of evaluation outcomes to ensure consistency of application of the scheme. Equal pay audits are carried out as required.

5.2. Shared posts/lead employer

Where these are agreed and set in place, the costs of any role are appropriately apportioned and recharged via the employment/secondment/management agreement. Such roles, where the Council is the employer, are evaluated according to the Council's existing job evaluation scheme.

5.3. Salary grades

A full list of the Council's salary grades and associated spinal column pay points can be found in Annex A.

A framework for apprentice pay is being developed. The level of pay at the start of the apprenticeship is dependent on the apprentices age and the qualification they are working towards achieving. Pay enhancements are normally annual and/or linked to successful completion of agreed milestones/course modules. Apprentice pay is exempt from the annual pay awards paid to all other employees.

At the time of publication of this policy statement no annual pay award has been agreed for 2024-2025.

6. Electoral registration and returning officer

The scale of fees for this role is approved by the Gloucestershire Elections Fees Working Party for local elections, or the relevant scales of fees prescribed by a Fees Order in respect of national, regional or European Parliament elections, polls, or referendums.

The fees constitute payments for separate employment and in most cases are eligible for superannuation purposes.

The fees are paid as part of the election account for each election and all costs, including employer superannuation costs, are recovered from the body responsible for the assembly to which candidates are being elected, or for which a poll or referendum is being carried out.

The Electoral Registration Officer (ERO) and Returning Officer (RO) for the Council is the Executive Director Finance, Assets and Regeneration.

7. Remuneration - level & element

7.1 Chief Officers - figures as at 01/4/2023 (See Annex B)

7.2. Non-Chief Officers

Employees	12 Grades A to L **(see Annex A)**

7.3. New starters joining the Council

Employees new to the Council will normally be appointed to the first point of the salary range for their grade. Where the candidate's current employment package would make the first point of the salary range unattractive or where the employee already operates at a level commensurate with a higher salary, a higher salary point within the pay grade for the post may be considered by the recruiting manager. The candidate's level of skill and experience should be consistent with that of other employees in a similar position on the salary range. These arrangements apply to all posts up to the level of Chief Officer.

In professions where there is a particular skills shortage, as a temporary arrangement, it may be necessary to consider a market supplement to attract high quality applicants. The level and duration of premium will be determined by reference to a combination of national comparators, local conditions, recruitments difficulties, inflation, and whether the post has recently been advertised and the process has been unsuccessful.

Guidance set out by the Secretary of State states Full Council should be given the opportunity to vote before large salary packages are offered in respect of new appointments. The guidance states a threshold of £100,000 should be set. At present there is no statutory requirement for posts over £100,000 to be appointed by Full Council. Our constitution instead provides that Executive Directors and Directors should be appointed by a Council committee which must contain at least one Cabinet member.

7.3. Lowest paid employees

Lowest paid employees of the Council are defined as those employees (excluding Apprentices) who are in a full time or part time role, who are above the age of 21, and are paid within Grade A of the Council's Job Evaluation scheme (the lowest band). As of 1st April 2023, the Grade A band £22,366 per annum, with only one pay point, which is line with the Real Living Wage (see paragraph 12).

For pay comparison purposes the top of pay grade will always be used.

7.4. Relationship between remuneration of highest paid employee (Chief Executive Officer) and lowest paid employee

The Council does not explicitly set the remuneration of any individual or group of posts by reference to a simple multiple of another post or group of posts. The use of multiples cannot capture the complexities of a dynamic and highly varied workforce in terms of job content and skills required. In terms of overall remuneration packages, the Council's policy is to differentiate by setting different levels of basic pay to reflect differences in responsibilities but with the exception of overtime payments not to differentiate on other allowances, benefits, and payments it makes.

The Council aims to pay no more than median salary levels when looking at market rates, and in the case of senior roles it will seek to maintain pay differentials well within the parameters recommended by the pay and pensions review (1:20). For the Council, using the salary information as of 1st April 2023 the current ratio of highest paid to lowest paid is 1:6. The ratio between the highest paid salary and the median paid salary of the Council's workforce is 1:4.

Lowest paid employee (Top of current salary band Grade B)	£22,737
Mean paid employee	

(Average salary band of all employees up to & including Chief Officers)	£35,756
Median paid employee (Middle Salary band value of all employees up to & including Chief Officers)	£32,076
Highest paid employee	£131,140

7.5. Bonuses

The Council does not operate any bonus schemes for any chief officer or any other employee.

7.6. Performance related pay

Other than incremental progression through the pay grade of a post (see section 5.1) the Council does not operate performance related pay for any chief officer or any other employee.

7.7. Pay protection

The Council seeks to ensure that all employees receive equal pay for work of equal value. To be consistent with equal pay principles the council's protection arrangements will not create the potential for pay inequalities (e.g. open-ended protection).

There may be times when the grade for an individual's role changes for reasons unrelated to their performance e.g. restructures, In such cases the protection arrangements outlined will apply for 12 months from the date of the change.

7.8. Severance payments

The Council has a consistent method of calculating severance payments which it applies to all employees without differentiation. The payment is intended to recompense employees for the loss of their livelihood and provide financial support whilst they seek alternative employment.

In line with the statutory redundancy payment scheme, the Council calculates redundancy severance payments using the following calculation. The calculation is based on an employee's age and length of continuous local government service (please note that employees must have a minimum of 2 years' continuous service to qualify for a redundancy payment) the multiplier for the number of weeks is then applied to the employee's actual weekly earnings.

The amount of redundancy pay will be calculated as:

- 0.5 week's pay for **each full year of service** where age at time of redundancy is less than 22 years of age
- 1.0 week's pay for each **full year of service** where age at time of redundancy is 22 years of age or above, but less than 41 years of age
- 1.5 weeks' pay for **each full year of service** where age at time of redundancy is 41+ years of age

The maximum number of years' service taken into account is 20. The maximum number of weeks' pay for anyone aged 61 years of age or older with 20 years or more service is 30.

Guidance set out by the Secretary of State states Full Council should be given the opportunity to vote before large severance packages are offered and arrangements are finalised for employees leaving the organisation. The guidance states a threshold of £100.00 should be set. This Council acknowledges this guidance and is committed to seeking Full Council approval for any severance packages (including salary paid in lieu, redundancy compensation, pension entitlements/costs, holiday pay, fees, or allowances) offered by the authority in excess of £100,000. See below links:

Link to guidance https://www.local.gov.uk/reform-local-government-exit-payments
Link to legislation https://www.legislation.gov.uk/ukdsi/2020/9780348210170

7.9. Settlement agreements

In exceptional circumstances to avoid or settle a claim or potential dispute, the Council's Head of Paid Service may agree payment of a settlement sum on termination.

All cases must be supported by a business case and take account of all legal, financial, contractual, and other responsibilities. The level of payment will be taken on the individual merits of the case and with approval from the HR and the Executive Director Finance, Assets and Regeneration**.**

7.10. Pension - The Local Government Pension Scheme (LGPS) and policy with regard to the exercise of discretions

Pension provision is an important part of the remuneration package. All employees may join the LGPS. The LGPS is a statutory scheme with contributions from employees and from employers. For more comprehensive details of the LGPS please visit the following web page:-

http://www.lgps.org.uk
For district councils in Gloucestershire, the LGPS is administered by Gloucestershire County Council. For information, please visit the following web page:

http://www.gloucestershire.gov.uk
Neither the LGPS nor the Council adopt different policies with regard to benefits for any category of employee: the same terms apply to all employees of the Council.

The LGPS provides for the exercise of discretion that allow for retirement benefits to be enhanced. The Council will consider each case on its merits but has determined that it does not normally enhance pension benefits for any of its employees (see the LGPS Statement of Policy/Discretions on the Council's website).This policy statement reaffirms this in respect all employees.

The LGPS provides for flexible retirement. The LGPS requires a minimum reduction in working hours and/or that there is a reduction in grade and that any consequential payments to the pension fund are recoverable within a set payback period. (See section below)

7.11. Early/flexible retirements

The precise terms of the Council's policy are discretionary and may be varied unilaterally.

Subject to the criteria of the policy and service delivery needs being met, any employee over the age of 55 and who is a member of the Local Government Pension Scheme (LGPS) can request to either reduce their hours or take a job at a lower grade/rate of pay and gain access to their pension even though they have not retired.

It is the intention of the Council that this facility be used in order to provide employees with the opportunity to take a one-off step towards permanent retirement. Any agreed requests will be treated as a permanent change to an employee's contract of employment.

7.12. Honorarium payments

The Council has a responsibility to ensure equal pay for all employees and so the use of honoraria payments should be carefully considered and be capable of justification. A payment can be made for the following reasons:-

- To recognise a *specific* contribution that an employee has made by making a single payment to him/her,

Or

- To recognise that an employee is temporarily undertaking some but not all the additional responsibility of a higher graded role for a continuous period of <u>at least four weeks</u> by making a regular monthly payment to them during that temporary period.

7.13. Acting up allowances

'Acting Up' is when an employee is authorised by their line manager to provide cover for a more highly graded post for an agreed period of time.

The payment ('acting up' allowance) is a temporary payment and will be made to the individual employee for covering the duties of the higher graded job for the agreed period of time. The policy applies to all employees. The payment will cease on completion of the 'acting up' period and the employee's salary will revert to that which it would have been had 'acting up' not occurred.

7.14. Market forces supplement

The Council is committed to the principles of single status employment and seeks to ensure employees receive equal pay for work of equal value.

In some circumstances it is necessary to ensure the effective recruitment and retention of employees and to pay individuals and/or groups of employees a premium rate to reflect the market competitiveness of the job. Any market supplement must be provided for from within existing budgets and be objectively justifiable. The job evaluation determined grade for that post will not be changed. Market supplements will be paid as a temporary fixed allowance. The supplements will be reviewed bi–annually and consequently can be withdrawn, should the review demonstrate that current evidence does not justify a supplementary payment continuing. Should such a supplement continue to be paid for an extended period, e.g., several years or more, the need for continuation will be examined carefully during the annual review in order to ensure that such continuation continues to be objectively justifiable in the circumstances.

8. Reimbursement of expenses

8.1 Travel & subsistence

The Council will meet or reimburse authorised travel and subsistence costs for attendance at approved business meetings and training events. Claims should be submitted via the agreed process, be supported by appropriate receipts in all cases and authorised by the appropriate line manager.

The Council pays the HMRC mileage rate of 45 pence per business mile.

The Council does not regard such costs as remuneration but as non-pay operational costs.

8.2 Disturbance allowance

All employees who incur additional costs arising from a compulsory change in their workplace will be reimbursed in accordance with the Council's Disturbance Allowance policy. Claims should be submitted via the agreed process, be supported by appropriate receipts in all cases and authorised by the appropriate line manager. The Council does not regard such costs as remuneration but as non-pay operational costs.

8.3. Relocation expenses

The Council operates a scheme of relocation allowances to assist new employees who need to move in order to take up an appointment with the Council. Relocation allowances are paid at the discretion of the Directors (or Appointment Committee for Chief Officers and above) where they think that it is essential to pay such allowances in order to attract the right candidate for the job.

The same policy applies to the Chief Executive, Chief Officers and other employees in that payment will be made against a range of allowable costs for items necessarily incurred in selling and buying a property and moving into the area. The costs include estate agents' fees, legal fees, stamp duty, storage and removal costs, short term rental etc up to the value of £8,000 (including VAT). An employee who leaves within 2 years of appointment will have to make a repayment of 1/24th for each month short of the 2-year period.

8.4. Professional fees & subscriptions

The Council meets the cost of one annual professional membership body fee or subscription where it is a statutory requirement for the role, or it is directly aligned to the professional discipline of the role.

Where applicable, the Council also meets the cost of membership of SOLACE (Society of Local Authority Chief Executives).

9. Re-employment of former Council employees

With regards to re-employing former local government employees who have been made redundant, in line with LGA guidance **if there is less than a 4 week gap between the date the employee was made redundant from the Council/a body under the modification order and the date of joining/re-joining a Council the employee will be required to repay their redundancy payment to their previous employer as continuity of service will be protected and their employment classed as continuous.** If the gap is longer than 4 weeks, the employee can retain their payment

as continuity of service will have been broken and continuous service will not be protected.

10. The Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011

The Council notes the discretion and confirms that it will not make use of this discretionary power.

11. Trade union recognition and facility time

The Council supports the system of collective bargaining and the principle of solving employee relations problems by discussion and agreement.

The Council recognises two trade unions for collective bargaining purposes. These are GMB and Unison. All parties recognise that it is vital to good employee relations for the workforce to be properly represented. Furthermore, all parties believe that a truly representative and effective union will enhance workforce employee relations.

The Trade Union and Labour Relations (Consolidation) Act 1992 sections 168 and 170 make provision for employees to be given the right to take reasonable time off under various circumstances. Trade Union representatives engaged on recognised duties will be given reasonable paid time off during normal working hours to carry out functions related to their representational responsibilities. The table below contains the estimated amount of reasonable time permitted for TU activity/duties over a normal business year.

The Council does not have any full-time trade union representatives in its employment.

*Business year assumes TU reps each have 25 days annual leave. Calculation based on 47 weeks per year

Activity/duty	**Estimated hours per week**	**No of reps**	**Total estimated time per business year.***
Case management & advice to membership	Average 1 hours per week	2	94 hours
Training	Average 0.5 hours per week	2	47 hours
Health and Safety	Average of 1 hours per week	2	94 hours
Corporate meetings, TU meetings and prep time	Average 0.5 hours per week	2	47 hours
Estimated total hours			**282 hours**

Estimated average total hours per TU rep per week	**3 hours per week**

12. The Real Living Wage

The Council complies with all the statutory requirements of the National Minimum Wage (£10.42 per hour) and National Living Wage. The majority of the Council's employees are on Grade B, point 4B, £11.79 per hour and above which is higher than the statutory rates.

The Real Living Wage (RLW) as set by the Living Wage Foundation is not a legal requirement, but a recommended hourly rate set independently and updated annually. The RLW is calculated by the Centre for Research in Social Policy whilst the London LW is calculated by the Greater London Authority and is based according to the basic cost of living in the UK.

Employers **can *choose* to** pay the RLW on a voluntary basis.

The Council has chosen to pay the RLW hourly rate to **all eligible employees** by way of an additional Living Wage Allowance. The Council will review its decision to pay the RLW annually at the Budget Setting Council meeting.

The Real Living Wage rates effective 1 November 2023 are:

- £12.00 (per hour) UK rate outside London
- £13.15 (per hour) UK rate for London

13. Other operational/non-operational pay and conditions

Other pay and conditions in operation, as follows:

- Shift premium
- Stand by and call out payments
- Premium for bank holiday/public holiday working
- Long service award
- Enhanced leave – buy or sell up to an additional 5 days' leave.
- Training fees reimbursement (post entry training scheme)
- Employee welfare service
- Eye test voucher scheme

14. Publication and access to information

The publication of and access to information relating to remuneration of the Council's Chief Officers will be published annually on the Council's website.

Annex A

Cheltenham Borough Council

New NJC Pay Scales April 2023

2023								JE Points	Notice Period
NJC	SCP	GRADE	Annual Salary	Annual Salary	Monthly Salary	Weekly Salary	Hourly Salary	Score	
SCP	GRADE		Apr-22	April 2023	April 2023	April 2023	April 2023		
	LW	Living Wage	no longer used	no longer used					1 Month
1	1A	Grade A	no longer used	no longer used				0-294	
2	2A	Grade A	£20,441	£22,366	£1,863.83	£429	£11.59		
3	3B	Grade B	£20,812	£22,737	£1,894.75	£436	£11.79	7334	
4	4B	Grade B	£21,189	£23,114	£1,926.17	£443	£11.98		
5	5C	Grade C	£21,575	£23,500	£1,958.33	£451	£12.18	345-394	
6	6C	Grade C	£21,968	£23,893	£1,991.08	£458	£12.38		
8	8D	Grade D	£22,777	£24,702	£2,058.50	£474	£12.80	395-444	
9	9D	Grade D	£23,194	£25,119	£2,093.25	£482	£13.02		
10	10D	Grade D	£23,620	£25,545	£2,128.75	£490	£13.24		
11	11D	Grade D	£24,054	£25,979	£2,164.92	£498	£13.47		
13	13E	Grade E	£24,948	£26,873	£2,239.42	£515	£13.93	445 - 494	
15	15E	Grade E	£25,878	£27,803	£2,316.92	£533	£14.41		
17	17E	Grade E	£26,845	£28,770	£2,397.50	£552	£14.91		
18	18E	Grade E	£27,344	£29,269	£2,439.08	£561	£15.17		
20	20F	Grade F	£28,371	£30,296	£2,524.67	£581	£15.70	495-544	2 Months'
21	21F	Grade F	£28,900	£30,825	£2,568.75	£591	£15.98		
22	22F	Grade F	£29,439	£31,364	£2,613.67	£602	£16.26		
23	23F	Grade F	£30,151	£32,076	£2,673.00	£615	£16.63		
24	24G	Grade G	£31,099	£33,024	£2,752.00	£633	£17.12	545-594	
26	26G	Grade G	£32,020	£33,945	£2,828.75	£651	£17.59		
28	28G	Grade G	£32,909	£34,834	£2,902.83	£668	£18.06		
27	27G	Grade G	£33,820	£35,745	£2,978.75	£686	£18.53		
N/A	812	Grade H	£34,513	£36,438	£3,036.50	£699	£18.89	595-644	3 Months'
N/A	813	Grade H	£35,778	£37,703	£3,141.92	£723	£19.54		
N/A	814	Grade H	£37,042	£38,967	£3,247.25	£747	£20.20		
N/A	815	Grade H	£38,301	£40,226	£3,352.17	£771	£20.85		
N/A	722	Grade I	£39,028	£40,953	£3,412.75	£785	£21.23	645-694	
N/A	723	Grade I	£40,461	£42,386	£3,532.17	£813	£21.97		
N/A	724	Grade I	£41,913	£43,838	£3,653.17	£841	£22.72		
N/A	725	Grade I	£43,348	£45,273	£3,772.75	£868	£23.47		
N/A	832	Grade J	£44,012	£45,937	£3,828.08	£881	£23.81	695-744	
N/A	833	Grade J	£45,782	£47,707	£3,975.58	£915	£24.73		
N/A	834	Grade J	£47,552	£49,477	£4,123.08	£949	£25.65		
N/A	835	Grade J	£49,332	£51,257	£4,271.42	£983	£26.57		
N/A	642	Grade K	£50,253	£52,203	£4,350.25	£1,001	£27.06	745 +	
N/A	643	Grade K	£52,435	£54,470	£4,539.17	£1,045	£28.23		
N/A	644	Grade K	£54,605	£56,724	£4,727.00	£1,088	£29.40		
N/A	645	Grade K	£56,782	£58,986	£4,915.50	£1,131	£30.57		
N/A	L1	Grade L	£58,905	£61,191	£5,099.25	£1,174	£31.72		
N/A	L2	Grade L	£61,171	£63,545	£5,295.42	£1,219	£32.94		
N/A	L3	Grade L	£63,181	£65,633	£5,469.42	£1,259	£34.02		
N/A	L4	Grade L	£66,050	£68,613	£5,717.75	£1,316	£35.56		

Annex B

CHELTENHAM BOROUGH COUNCIL April 2023 - JNC CHIEF OFFICERS & CEX GRADES & PAY SCALES							
Board	**scp**	**Grade Description**	**Old Salary 01/04/2022**	**New Salary 01/04/2023**	**Monthly Salary April 23**	**Weekly Salary April23**	**Hourly Salary April 2023**
JNC	M1	Director Level 1	£71,639.00	£74,146.00	£6,178.83	£1,422.00	£38.43
JNC	M2	Director Level 2	£75,778.00	£78,430.00	£6,535.83	£1,504.16	£40.65
JNC	M3	Director Level 3	£79,607.00	£82,393.00	£6,866.08	£1,580.17	£42.71
JNC	N1	Director Level 1	£83,160.00	£86,701.00	£7,225.08	£1,662.79	£44.94
JNC	N2	Director Level 2	£88,100.00	£91,184.00	£7,598.67	£1,748.76	£47.26
JNC	N3	Director Level 3	£89,992.00	£93,142.00	£7,761.83	£1,786.31	£48.28
JNC	O1	Executive Director Level 1	£94,570.00	£97,880.00	£8,156.67	£1,877.18	£50.73
JNC	O2	Executive Director Level 2	£99,160.00	£102,631.00	£8,552.58	£1,968.30	£53.20
JNC	O3	Executive Director Level 3	£100,380.00	£103,893.00	£8,657.75	£1,992.50	£53.85
ALACE	P1	Chief Executive	£120,195.00	£124,402.00	£10,366.83	£2,385.83	£64.48
ALACE	P2	Chief Executive	£123,449.00	£127,770.00	£10,647.50	£2,450.42	£66.23
ALACE	P3	Chief Executive	£126,705.00	£131,140.00	£10,928.33	£2,515.06	£67.97

For more information about this Statement and/or its content please contact the Cheltenham Borough Council HR Team on Tel: 01242 264109 or Email: HR@cheltenham.gov.uk

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Budget Consultation 2024/25 questions from members of the public

Received 26 January 2024	
1	Can the Council provide a revised version of Appendix 2 showing how a balanced budget is to be achieved, showing all budgeted income, including: • Council Tax • Fees and Charges • Other commercial income • 'Additional' income specified in Appendix 3 • Government and other Grants (e.g. Levelling up Fund)
1	**Response from Cabinet Member** Analysis has been included in the covering report for the final budget proposal which shows how the budget for 2024/25 is proposed to be funded. The gross expenditure in the 2024/25 final budget proposal is £61.679m. This is funded as follows:

Gross Income from Fees, Charges and Other External Sources	£40.405m
Income Generated from Investment Properties	£3.944m
Council Tax Income	£10.396m
Business Rates Income	£5.524m
Government Grants	£1.410m
Total	**£61.679m**

Received 26 January 2024	
2	Will the Council provide detail on exactly how £1m will be saved on Housing Services? Does the proposed cut of £1m mean that the Council is planning to reduce the deficit by 50%? What will happen to the valuable community outreach work undertaken by CBH?
2	**Response from Cabinet Member** The transition of the housing services back in-house provides significant scope for considering the whole operating model, to streamline services and organisational design and maximise financial savings for both the General Fund and HRA. The proposal to deliver in house will enable the removal of an additional layer of management and associated costs, a reduction in duplication of processes and costs and allow a formal review of operational assets to be considered. It will also provide a single entity within the LGPS which will provide consequential financial savings. Whilst the total savings that can be delivered will be assessed and evaluated during the transition period, it would not be unrealistic to achieve in excess of £2m across the multiple work-streams. These savings would be proportionately shared between the General Fund and HRA to ensure financial sustainability can be achieved whilst ensuring that as one organisation the focus remains on strengthening the tenant and leaseholder offer, including our services in the community.
Received 26 January 2024	
3	Will the Council provide detail on exactly how £0.5m will be saved on Environmental Services? Are additional charges going to be introduced?
3	**Response from Cabinet Member** The savings target for environmental services has been determined in partnership with Ubico Limited who deliver the majority of the Council's grounds, street and waste services as well as the internal teams within the Council. A number of options are being discussed to ensure services are maintained for our residents but that they are delivered in the most efficient way whilst also supporting the Council's ambitions around recycling and carbon reduction. This includes the

	implementation of in-cab technology to improve the customer service experience and data available, reviewing the value for money of our recycling contracts and the location and use of bring banks around the town. The Council are committed to ensuring that all residents have access to recycling services but the rising cost of providing receptacles means delivery charges for these also need to be considered. Again, this should also reduce our own carbon footprint if receptacles are re-used and fewer are needed to be purchased by the Council.
Received 26 January 2024	
4	Will the Council ensure that the Equalities Impact assessment of cuts in expenditure is a comprehensive analysis, including in particular the impact of cuts in Housing Services and Environmental Services, and the impact on those living in the more deprived areas of Cheltenham?
4	**Response from Cabinet Member** The final budget report for 2024/25 contains an Equalities Impact Assessment of the areas of the budget proposal relating to savings and additional income. Any further key decisions in relation to the delivery of these areas will also be subject to their own assessment.
Received 26 January 2024	
5	Will the Council provide information on how much it currently spends on discretionary services including those that are the responsibility of the County Council?
5	**Response from Cabinet Member** It is very difficult to determine accurately the cost of all discretionary services provided by the Council. This is because most service areas deliver a combination of statutory and discretionary services. There are also a number of interdependencies between teams – for example our neighbourhood team who may be viewed as discretionary provide indirect support for some of our statutory enforcement activity. Quantifying this valuable indirect support is therefore very complex. Where discretionary services are provided by the borough Council but are the statutory responsibility of the County Council, work has been undertaken to ensure that the contracts in place between the two parties are reviewed to ensure we are able to cover costs incurred. This includes ensuring inflationary uplifts are applied and project management or admin fees are accounted for correctly.
Received 26 January 2024	
6	Will the Council provide detail of how £200,000 will be saved on discretionary services
6	**Response from Cabinet Member** In preparing the Council's budget proposals we endeavour to be as transparent as possible with the information provided. Of the £2.887mm savings and additional income target for 2024/25, £200k relates to re-aligning resources in areas of discretionary spend. The Council delivers significant activities across the borough which are outside of the statutory requirements. With pressure continuing on funding and local tax generation, and uncertainty around the Fair Funding Review and expected changes to Business Rates in 2026/27, the Council needs to ensure resources are focused and prioritised against the ambitions of our Corporate Plan. The new Corporate Plan was approved in February 2023 and work is ongoing to develop the details of how discretionary spend is allocated and whether these services could be delivered differently. One example is the twinning service which the Council deliver at the moment but are looking to work with the Cheltenham twinning Association to support the same opportunities in a different way. Any changes to the budget will be subject to relevant Officer, Cabinet or Full Council decisions which will be published on the Council's forward plan. Further consultation periods may also apply in line with the constitution. No service will be impacted without clear and transparent assessment of risk and without the appropriate governance arrangements being undertaken.

Received 26 January 2024	
7	What representations, (if any), has the Council made to the County Council about transferring the costs of providing services that are the responsibility of the County Council?
7	**Response from Cabinet Member** The detailed consultation response provided with this question refers to a number of discretionary services the Council provide which should be provided by the County Council, specifically noting the No Child Left Behind scheme and the household recycling centre at Swindon Road. The borough Council has taken the decisions historically to provide these services which are not statutorily required to be delivered and in areas there is overlap between these and County Council services. No specific representation is planned to be made to the County Council in respect of transferring costs. However, work is ongoing in some areas such as verge cutting and public realm to ensure that where the borough is contracted by the County Council to deliver a service or support communities that the income received is appropriate to the costs incurred.
Received 26 January 2024	
8	Why are charges for allotments increasing by around 10%?
8	Allotment charges are pro rata covering the period up to the 31 December and the bills are prepared and issued in January of each year. The timing means that we apply inflation a year in arrears to the charges. The charges that were approved in the 2023/24 applied an increase of 4.2% which means the 2024/25 charges are increased by the prior year inflationary figure.
Received 26 January 2024	
9	What are charges for burials increasing by around 30%, and for interments by about 11%?
9	**Response from Cabinet Member** Burial fees have been increased by around 30% and other costs by approximately 11% to reflect the increasing costs of maintaining a substantial cemetery whilst keeping Cheltenham's prices in-line with what is considered reasonable within the marketplace.
Received 26 January 2024	
10	Betting and Gambling: We note that all these fees are increasing by 6.8%, which appears to be in line with the September 2023 CPI inflation figure. We were informed last year that these charges are controlled by the government. Can we therefore infer that 6.8% is the inflation figure being used by the government?
10	**Response from Cabinet Member** These fees are set by regulations. Some elements allow for some discretion whereas others do not. Where there is discretion, it is within a defined minimum and maximum threshold. When setting the level within the permitted minimum and maximum, we are still bound but the general rule of cost neutrality which ensures Local Authorities are not profiting from licencing activity. Increased costs at the Council are a factor in determining the fees and charges each year as well as other considerations such as time and motion studies, any relevant enforcement and compliance costs.
Received 26 January 2024	
11	Hackney carriage Driver licences: Why are these fees being increased by only 2.88%?
11	**Response from Cabinet Member** This charge was determined in the same cost neutrality basis as other licence fees. The charge will be reviewed again in 2025/26 and will be adjusted to ensure we remain as close to cost neutral as we are able. A general overview of these is captured in the guidance linked below. https://www.local.gov.uk/sites/default/files/documents/5%2013%20%20OpenForBusiness_02_web.pdf.

Received 26 January 2024	
12	Premises licences: Why is a range of premises and club licence fees being frozen at 2023/24 rates, and not being increased at all?
12	**Response from Cabinet Member** These are centrally set without any discretion at local level. See The Licensing Act 2003 (Fees) Regulations 2005 for reference.
Received 26 January 2024	
13	Sex Establishments and Sexual Entertainment Licences: We note that licence fees for Sexual Entertainment Venues (SEVs) are to be increased substantially (50% - 90% depending on the heading). Last year we drew the Council's attention to the fact that some other Councils are charging considerably more than Cheltenham for such licence fees, and recommended above-inflation increases. The Council's response at that time was that increases above inflation were constrained by legislation. So we are pleased that the Council appears to have taken note of our comments last year. We look forward to a similar above-inflation increase next year. However, we also note that licence fees for Sex Establishments will only increase by 6.8%. Why is there a difference in licence fee increase between Sex Establishments and Sexual Entertainment Venues?
13	**Response from Cabinet Member** There are a number of different type of licenses under the broad umbrella of "sex establishments" – sex shops, sexual entertainment premises licences and sex cinemas. We calculate fees for these separately as a requirement in common law, primary legislation and guidance. In other words, we look at a number of factors for each of these types of licences and calculate fees accordingly. The reality is that sexual entertainment premises cost the authority significantly more to administer than, for example, sex shops. This is reflected in the number of objections applications attract, the number of licensing hearing required as a consequence and therefore the officer time and effort required to administer. Accordingly, the base fees and annual uplifts for sexual entertainment premises reflect the annual cost and effort for administering this licence type compared to administration associated with licensing sex shops which are more simple.
Received 26 January 2024	
14	Section 28 Fixed Penalty Notices served in Environmental Protection & Streetscene Enforcement: We note that penalties for a range of offenses will be increased very substantially, some by 233%. Why is the penalty for abandoning a vehicle being frozen at the 2023/24 rate, and not being increased along with the other penalties?
14	**Response from Cabinet Member** The changes were introduced through legislation that did not include abandoned vehicles. For reference, see The Environmental Offences (Fixed Penalties) (Amendment) (England) Regulations 2023.
Received 26 January 2024	
15	Can the Council clarify what it means by 'market forces' for those services where the charges will be below (or above) inflation?
15	**Response from Cabinet Member** Examples of market forces include competition, consumer preferences, technological advancements, economic growth, and government regulations. Changes in market forces may have a significant impact on the behavior of buyers and sellers in the market. This means for some of our income generated services where fees and not set by the government we have flexibility to adjust our charges in line with these factors and their impact in the local market we operate in. The Head of Service may determine that if there is significant competition locally for that service that a below inflationary increase is applied and vice versa if the opposite applies.
Received 26 January 2024	

16	Income from Fees and charges What is the budgeted income from each of the Services set out in Appendix 8?
16	**Response from Cabinet Member** The table below shows the budgeted income for each of the services, and where available for each type of activity undertaken by the services for 2024/25.

Service	**2024/25 Forecast Income £**
Building Control	623,000
Land Charges	145,000
Bereavement Services	2,781,000
Car Parking	4,455,000
Planning	813,974
Parks and Gardens	139,217
Sports and Open Spaces	122,146
Allotments	58,560
Environmental Health	3,700
Licensing	429,081
Pest Control	131,840
Green Waste	1,101,500
Contaminated Land	1,000
Abandoned Vehicles	1,000
Street Naming and Numbering	15,000
Trade Waste	721,500

Received 24 January 2024	
17	I have been through the budget proposals and I cannot see any reference to repayments of a loan made jointly by Cheltenham and Glos City Councils to Gloucestershire Airport. Recent press reports suggest the Airport may be sold this year and therefore will the loan (in excess of £10m) be repaid in full prior to any sale ? In the meantime, can we assume repayments are being made in full in accordance with the loan agreement?
17	**Response from Cabinet Member** The loans and investments held by the Council and the strategies for managing capital and treasury activities will be outlined in a set of documents which will be presented to Council for approval in March 2024. The sale agreement is subject to a Non-Disclosure Agreement but the final budget proposal in February makes full provision for the repayment of the loan made to the Airport by the Council.

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Appendix 13: Fees and Charges 2024/25

Reference	Description		23/24 Charges £	24/25 Charges £	VAT Code
1	**Allotment provision**				
	Prices increase in Jan each year, with one year's notice				
1.001	Small Plot		£38.36	£42.20	NB
1.002	Medium Plot		£63.53	£69.89	NB
1.003	Large Plot		£89.90	£98.90	NB
1.004	Extra Large - 350-399m2		£103.10	£113.42	NB
1.005	Extra Large - 400-449m2		£115.08	£126.60	NB
1.006	Extra Large - 450-499m2		£128.27	£141.11	NB
	Senior Citizen concessions (over 60's):				
1.007	Small Plot		£31.17	£33.76	NB
1.008	Medium Plot		£51.54	£55.91	NB
1.009	Large Plot		£70.73	£79.12	NB
1.010	Extra Large - 350-399m2		£82.71	£90.73	NB
1.011	Extra Large - 400-449m2		£92.30	£101.28	NB
1.012	Extra Large - 450-499m2		£103.10	£112.89	NB
1.013	Extra charge for Council shed		£10.86	£11.94	NB
1.014	Admin fee (new tenant)		£15.00	£20.00	NB
1.015	Deposit for key - sites with Yale type key		£5.00	£7.50	NB
1.016	Deposit for key - sites with Garrison security key		£10.00	£20.00	NB
2	**Building Control Fees (including VAT)**				
	Building Control Charges				
	In accordance with Building (Local Authority Charges) Regulation 1998	No. of houses being built			
	TABLE 1 New Dwellings	1			
2.001	(Total internal floor area of each dwelling must be less than 300m²)		£792.00	£837.00	STD
	Projects larger than six properties calculated on an individual basis.				
	Houses over 300m² total floor area calculated on an individual basis.				
	TABLE 2 Domestic and Commercial Extensions				
	Description of work				
2.002	The erection or extension of a DETACHED garage or carport, or both, not exceeding 60m² in total		£390.00	£412.00	STD
2.003	Total or part conversion of attached or integral garage to provide additional habitable accommodation		£390.00	£412.00	STD
2.004	Any extension and loft conversion with a floor area which does not exceed 20m²		£594.00	£628.00	STD
2.005	Any extension and loft conversion with a floor area which exceeds 20m² but does not exceed 60m²		£792.00	£837.00	STD
2.006	Any extension and loft conversion with a floor area which exceeds 60m² but does not exceed 100m²		£964.00	£1,019.00	STD
	TABLE 3 Conversions and Alterations				
2.007		Under 1,000	£218.00	£230.00	STD
2.008	(i.e. those not specifically covered by Table 1 & 2)	1,001 to 5,000	£297.00	£314.00	STD
2.009		5,001 to 10,000	£390.00	£412.00	STD
2.010		10,001 to 20,000	£528.00	£558.00	STD
2.011		20,001 to 30,000	£746.00	£789.00	STD
2.012		30,001 to 40,000	£911.00	£963.00	STD
2.013		40,001 to 50,000	£1,056.00	£1,116.00	STD
2.014		50,001 to 60,000	£1,300.00	£1,374.00	STD
2.015		60,001 to 70,000	£1,393.00	£1,473.00	STD
2.016		70,001 to 80,000	£1,545.00	£1,633.00	STD
	Projects over £80,001 to be agreed on an individual basis				
2.017	Up to 8 new windows installed by a non FENSA installer		£113.00	£119.00	STD
2.018	Over 8 new windows installed by a non FENSA installer				
2.019	BSR Building Control Hourly Rate		£89.00	£94.00	STD
3	**Built Environment**				
	Planning Services Fee (i.e history searches etc)				
3.001	Plans over A3	Per page	£6.00	£6.50	STD
3.002	CON29R Standard Enquiries		£127.80	£136.50	STD
3.003	CON29R Additional parcel of Land		£18.00	£19.50	STD
3.004	CON 29O (Part II Optional enquiries) per question 4-21		£10.50	£11.50	STD
3.005	CON 29O (Part II Optional enquiries) per question 22		£36.50	£39.00	STD
3.006	Non-Standard enquiries		£30.00	£32.00	STD
3.007	Admin fee for part CON29 & CON29O		£12.50	£13.50	STD
3.008	House Naming		£50.00	£53.50	NB

3.009	Change Property Name	Existing postal Address	£50.00	£53.50	NB
3.010	Allocating a name or number	Existing postal Address	£50.00	£53.50	NB
3.011	Change of Commercial Address	Existing postal Address	£50.00	£53.50	NB
3.012	Merging of multiple plots to one address	Existing postal Address	£50.00	£53.50	NB
3.013	Providing a letter / schedule of certification of a single address	Address Confirmation	£25.00	£27.00	NB
3.014	Issuing of a single address confirmation	Address Confirmation	£35.00	£37.50	NB
3.015	Number of new plots on an existing street	New Developments not involvng new street naming	50.00 per plot	53.50 PER PLOT	NB
3.016	Numbering of block of flats on an existing street - up to 10 plots	New Developments not involvng new street naming	50.00 per plot	53.50 PER PLOT	NB
3.017	Numbering of block of flats on an existing strett - 11+ plots	New Developments not involvng new street naming	£600.00	£640.00	NB
3.018	Naming and numbering of new properties including commercial building (1-5)	Developments requiring new street naming and numbering	50.00 per plot	53.50 PER PLOT	NB
3.019	Naming and numbering of new properties including commercial building (6-15)	Developments requiring new street naming and numbering	£400.00	£427.00	NB
3.020	Naming and numbering of new properties including commercial building (16-25)	Developments requiring new street naming and numbering	£600.00	£640.00	
3.021	Naming and numbering of new properties including commercial building (26-75)	Developments requiring new street naming and numbering	£800.00	£855.00	NB
3.022	Naming and numbering of new properties including commercial building (76-150)	Developments requiring new street naming and numbering	£1,000.00	£1,068.00	NB
3.023	Naming and numbering of new properties including commercial building (151-250)	Developments requiring new street naming and numbering	£1,250.00	£1,335.00	NB
3.024	Naming and numbering of new properties including commercial building (251-350)	Developments requiring new street naming and numbering	£1,500.00	£1,602.00	NB
3.025	Naming and numbering of new properties including commercial building (351-500)	Developments requiring new street naming and numbering	£1,750.00	£1,869.00	NB
3.026	Naming and numbering of new properties including commercial building (501+)	Developments requiring new street naming and numbering	£2,000.00	£2,136.00	NB
3.027	New Street name required (1)	Developments requiring new street naming and numbering	£100.00	£107.00	NB
3.028	New Street name required (2-5)	Developments requiring new street naming and numbering	£200.00	£214.00	NB
3.029	New Street name required (6-10)	Developments requiring new street naming and numbering	£400.00	£427.00	NB
3.030	New Street name required (11+)	Developments requiring new street naming and numbering	£500.00	£534.00	NB
3.031	Charge for developer amending plans after naming and numbering has commenced		£200.00	£214.00	NB
3.032	Failure to register a correct address vuia strett naming and numbering may result in the need for retropective application		Fee charge will be based on 120% of original application fee charge		NB
3.033	Enforcement action may be taken for the ise of an incorrect or unregistered address		Where enforcement action is required when an owner / occupier fails to comply, expenses may be recovered through the Magistrates Court		NB
3.034	Change of existing street name at residents' request		£300.00	£320.00	NB
3.035	Additional charge per property/unit		£35.00	£37.50	NB
4	**Bus Station Departures (Royal Well)**				
4.001	Bus departures, price per departure (local)		£0.90	£0.90	STD
4.002	Bus departures, price per departure (visitors)		£1.65	£1.65	STD
5	**Car Parking Fines - Off Street**				
	Penalty Charge Notices - Off Street				
5.001	Higher Band (e.g. parking in disabled bay (without badge)	Paid within 14 days	£35.00	£35.00	NB
5.002	Higher Band	Paid after 14 days	£70.00	£70.00	NB
5.003	Lower Band (e.g. overstays, failure to pay the parking charge or display a valid ticket)	Paid within 14 days	£25.00	£25.00	NB
5.004	Lower Band	Paid after 14 days	£50.00	£50.00	NB
6	**Car Parking - Off Street (inclusive of VAT)**				
6.001	Bath Parade	Up to 1 hr	£2.00	£2.00	STD
6.002		Up to 2 hrs	£3.40	£3.40	STD
6.003		Up to 3 hrs	£5.00	£5.00	STD
6.004		Up to 4 hrs	£6.50	£6.50	STD
6.005		Up to 6 hrs	£11.00	£11.00	STD

6.006		Over 6 hrs	£13.00	£13.00	STD
6.007	St George's Road	Up to 1 hr	£2.00	£2.00	STD
6.008		Up to 2 hrs	£3.40	£3.40	STD
6.008		Up to 3 hrs	£5.00	£5.00	STD
6.009		Up to 4 hrs	£6.50	£6.50	STD
6.009		Up to 6 hrs	£11.00	£11.00	STD
6.010		Over 6 hrs	£13.00	£13.00	STD
6.011	St James Street	Up to 1 hr	£2.00	£2.00	STD
6.012		Up to 2 hrs	£3.40	£3.40	STD
6.013		Up to 3 hrs	£5.00	£5.00	STD
6.014		Up to 4 hrs	£6.50	£6.50	STD
6.015		Up to 6 hrs	£11.00	£11.00	STD
6.016		Over 6 hrs	£13.00	£13.00	STD
6.017	Royal Well				
6.018		Up to 1 hr	£2.00	£2.00	STD
6.019		Up to 2 hrs	£3.40	£3.40	STD
6.020		Up to 3 hrs	£5.00	£5.00	STD
6.021		Up to 4 hrs	£6.50	£6.50	STD
6.022	Chelt Walk	Up to 1 hr	£2.00	£2.00	STD
6.023		Up to 2 hrs	£3.40	£3.40	STD
6.024		Up to 3 hrs	£5.00	£5.00	STD
6.025		Up to 4 hrs	£6.50	£6.50	STD
6.026		Over 4 hrs	£11.00	£11.00	STD
6.027	High Street	Up to 2 hrs	£3.40	£3.40	STD
6.028		Up to 3 hrs	£4.30	£4.30	STD
6.029		Up to 4 hrs	£6.50	£6.50	STD
6.030		Over 4 hrs	£11.00	£11.00	STD
6.031	Sherborne Place	Up to 1 hr	£2.00	£2.00	STD
6.032		Up to 2 hrs	£3.20	£3.20	STD
6.033		Up to 3 hrs	£4.30	£4.30	STD
6.034		Up to 4 hrs	£6.50	£6.50	STD
6.035		Over 4 hrs	£11.00	£11.00	STD
6.036	Bath Terrace	Up to 1 hr	£1.20	£1.20	STD
6.037		Up to 2 hrs	£1.70	£1.70	STD
6.038		Up to 3 hrs	£2.30	£2.30	STD
6.039		Over 3 hrs	£6.00	£6.00	STD
6.040	Commercial Street	Up to 1 hr	£1.20	£1.20	STD
6.041		Up to 2 hrs	£1.70	£1.70	STD
6.042		Up to 3 hrs	£2.30	£2.30	STD
6.043		Over 3 hrs	£6.00	£6.00	STD
6.044	Coronation Square	Up to 1 hr	£0.30	£0.30	STD
6.045	Local businesses only	Up to 2 hrs	£0.50	£0.50	STD
6.046		Up to 4 hrs	£1.00	£1.00	STD
6.047		Over 4hrs	£2.00	£2.00	STD
6.048	Town Centre East (formerly known as Grosvenor Terrace)	Up to 1 hr	£1.50	£1.50	STD
6.049		Up to 2 hrs	£2.90	£2.90	STD
6.050		Up to 3 hrs	£3.90	£3.90	STD
6.051		Up to 4 hrs	£4.50	£4.50	STD
6.052		Over 6 hrs	£8.00	£8.00	STD
6.053	Phoenix Passage (West End)	Up to 1 hr	£1.40	£1.40	STD
6.054		Up to 2 hrs	£2.70	£2.70	STD
6.055		Up to 3 hrs	£3.90	£3.90	STD
6.056		Up to 4 hrs	£6.00	£6.00	STD
6.057		Up to 6 hrs	£9.00	£9.00	STD
6.058		Over 6 hrs	£13.00	£13.00	STD
6.059	Regent Arcade	after 5.30pm	£3.00	£3.00	STD
6.060		Up to 1 hr	£2.00	£2.00	STD
6.061		Up to 2 hrs	£3.40	£3.40	STD
6.062		Up to 3 hrs	£5.00	£5.00	STD

6.063		Up to 4 hrs	£6.50	£6.50	STD
6.064		Up to 6 hrs	£11.00	£11.00	STD
6.065		Up to 8 hrs	£15.00	£15.00	STD
6.066		Over 8 hrs	£16.00	£16.00	STD
6.067		Lost ticket	£15.00	£15.00	STD
6.068	Rodney Road	Up to 1 hr	£2.00	£2.00	STD
6.069		Up to 2 hrs	£3.40	£3.40	STD
6.070		Up to 3 hrs	£5.00	£5.00	STD
6.071		Up to 4 hrs	£6.50	£6.50	STD
6.072		Up to 6 hrs	£11.00	£11.00	STD
6.073		Over 6 hrs	£13.00	£13.00	STD
6.074	Pittville Pump Room	Up to 1 hr	£1.00	£1.00	STD
6.075		Up to 2 hrs	£1.50	£1.50	STD
6.076		Up to 3hrs	£2.00	£2.00	STD
6.077		Up to 4hrs	£2.00	£2.00	STD
6.078		Over 3 hrs	£5.50	£5.50	STD
6.079	St Georges Road	Up to 1 hr	£2.00	£2.00	STD
6.080		Up to 2 hrs	£3.40	£3.40	STD
6.081		Up to 3 hrs	£5.00	£5.00	STD
6.082		Up to 4 hrs	£6.50	£6.50	STD
6.083		Up to 6 hrs	£11.00	£11.00	STD
6.084		Over 6 hrs	£13.00	£13.00	STD
7	**Car Parking - Off Street permits (inclusive of VAT)**				
7.001	TCE permit Cheltenham Borough Homes / Cheltenham BID		£55 per month or £645 per annum	£55 per month or £645 per annum	STD
7.002	St Johns Primary School annual permit (pick-up set-down St James Street car park)		£14.20	£14.20	STD
8	**Cemetery**				
8.001	FEE for USE of CHAPEL for BURIAL at CHELTENHAM CEMETERY		£231.00	£258.00	EX
8.002	Use of Chapel for burial Sunrise Service only		£121.00	£135.00	EX
8.003	Over running alloted service time - Up to 10 minutes		£104.00	£116.00	EX
8.004	Over running alloted service time - Over 10 minutes		£250.00	£279.00	EX
8.005	Late or non cancellation of a booking less than 5 working days' notice			£116.00	EX
	Obitus (New Revised Service Offer)				
8.006	Halo Photo (Single Image)		£0.00	£0.00	STD
8.007	Basic Slideshow		£45.00	£45.00	STD
8.008	Music Slideshow		£70.00	£70.00	STD
8.009	Themed Tribute		£95.00	£95.00	STD
8.010	Extra Single Photo		£12.00	£12.00	STD
8.011	Family Supplied Video/Tribute		£25.00	£25.00	STD
8.012	Bespoke Tribute		£400.00	£400.00	STD
8.013	Extra Work Charge		£21.00	£21.00	STD
8.014	Extra Photo Charge		£21.00	£21.00	STD
8.015	Tribute Download		£10.00	£10.00	STD
8.016	Live & On Demand (Stream Live & Watch On Demand for 28 Days + Option to Download)		£49.00	£49.00	STD
8.017	Live Only		£33.00	£33.00	STD
8.018	DVD/USB/Blu-Ray/Audio CD Keepsake		£55.00	£55.00	STD
8.019	Video Book Keepsake		£95.00	£95.00	STD
8.020	Memory Box Keepsake		£130.00	£130.00	STD
8.021	Second Copies		£28.00	£28.00	STD
	**Change in Products and services so new fees and charges have been created (Above)*				
	BURIAL FEES (Not liable to VAT)				
	NEW PURCHASE (Lawn Garden) GRAVES				
8.022	Exclusive Right of Burial 75 years		£1,342.00	£1,745.00	NB
8.023	Exclusive Right of Burial 100 years		£1,769.90	£2,301.00	NB
	NEW PURCHASE (Traditional) Graves				
8.024	Exclusive Right of Burial 75 years		£1,677.50	£2,181.00	NB
8.025	Exclusive Right of Burial 100 years		£2,213.20	£2,877.00	NB

8.026	NEW PURCHASE (Heritage) Grave			
8.027	Exclusive Right of Burial 100 years		£1,500.00	NB
	NEW PURCHASE CREMATION GRAVES			
8.028	Exclusive Right of Burial 75 years	£852.50	£1,108.00	NB
8.029	Exclusive Right of Burial 100 years	£1,126.40	£1,464.00	NB
	CHILD'S GRAVE (not available at Charlton Kings Cemetery)			
8.030	Exclusive Right of Burial 75 years	£495.00	£644.00	NB
8.031	Exclusive Right of Burial 100 years	£654.50	£851.00	NB
8.032	Cornish Hearts Foetal Grave K7A		£644.00	NB
	INTERMENT FEES			
	FEES to OPEN EXISTING PLOT (Interment Fee)			
8.033	Open for single interment	£872.30	£973.00	NB
8.034	Open for double interment	£1,092.30	£1,218.00	NB
8.035	Open for ashes	£226.60	£253.00	NB
8.036	Two sets of cremated remains interred at same time - with or without appointment	£275.00	£306.00	NB
8.037	For a single set of cremated remains placed within the coffin of a full burial	£40.70	£45.00	NB
8.038	Coffin surcharge	£319.00	£356.00	NB
8.039	Immediate witnessed backfill surcharge	£319.00	£356.00	NB
	PRE-PURCHASE of (Lawn Garden) FULL GRAVES			
8.040	Exclusive Right of Burial 75 years	£1,552.10	£2,018.00	NB
8.041	Exclusive Right of Burial 100 years	£1,981.10	£2,575.00	NB
	PRE-PURCHASE of (Traditional) FULL GRAVES			
8.042	Exclusive Right of Burial 75 years	£1,956.90	£2,544.00	NB
8.043	Exclusive Right of Burial 100 years	£2,492.60	£3,240.00	NB
	PRE-PURCHASE of (Heritage) Grave			
8.044	Exclusive Right of Burial 100 years		£2,000.00	NB
	PRE-PURCHASE of ASHES GRAVES			
8.045	Exclusive Right of Burial 75 years	£1,004.30	£1,306.00	NB
8.046	Exclusive Right of Burial 100 years	£1,277.10	£1,660.00	NB
8.047	Renew or extend Exclusive Right of Burial 25 years (Adult Grave)	£484.00	£629.00	NB
8.048	Renew or extend Exclusive Right of Burial 25 years (Childs grave)	£165.00	£215.00	NB
8.049	Renew or extend Exclusive Right of Burial 25 years Cremated Remains Grave	£283.80	£369.00	NB
	**Removal of 50 years - Min term is now 75 years*			
	MONUMENTS, HEADSTONES, VASES and TABLETS (Not liable to VAT)			
8.050	For the Right to Erect or place on a Grave or Vault in respect of which an Exclusive Right of Burial has been granted.			
8.051	New memorial on an adult grave	£317.00	£353.00	EX
8.052	Additional memorial on an adult grave	£176.00	£196.00	EX
8.053	New memorial on a childs grave		£146.00	EX
8.054	Ashes grave memorial	£131.00	£146.00	EX
8.055	Additional Inscriptions or replacement of memorial	£131.00	£146.00	EX
9	**Contaminated Land Fees (inclusive of VAT)**			
9.001	Contaminated land and pollution searches - standard service - response within 20 working days	£167 Standard Service (response within 20 working days)	£178.36 Standard Service (response within 20 working days)	STD
9.002	Contaminated land and pollution searches - expedited service - response within 10 working days	£250 Expedited Service (response within 10 working days)	£267 Expedited Service (response within 10 working days)	STD
10	**Council Tax/NNDR**			
	Legal Fees			
10.001	Costs charged for summonses to court for non-payment of Council Tax	£55.00	£60.00	NB
10.002	Costs charged for summonses to court for non-payment of NNDR	£75.00	£85.00	NB

11	**Cremations**			
11.001	ADULT SERVICE - **CLASSIC 35 minutes service**	£1,017.50	£1,145.00	EX
11.002	Medical Referee Fee	£25.00	£25.00	EX
11.003	ADULT CREMATION - Direct Cremation	£400.00	£400.00	EX
11.004	ADULT CREMATION **SUNRISE 15 minutes service**	£660.00	£693.00	EX
11.005	ADULT CREMATION ~ DirectPlus (Direct cremation + overnight storage of coffin)	£440.00	£440.00	EX
11.006	Cremate Body Parts	£49.50	£55.00	EX
11.007	USE of ORGAN (no longer included in cremation fee)	£27.50	£36.00	EX
	BOOK of REMEMBRANCE			
11.008	2 Line Entry	£71.50	£82.00	STD
11.009	3 Line Entry	£94.60	£109.00	STD
11.010	4 Line Entry	£116.60	£135.00	STD
11.011	5 Line Entry	£137.50	£158.00	STD
11.012	6 Line Entry	£160.60	£185.00	STD
11.013	7 Line Entry	£182.60	£210.00	STD
11.014	8 Line Entry	£205.70	£237.00	STD
11.015	Crest, Badge or Floral Emblem - with 5 Line Entry	£239.80	£276.00	STD
11.016	Crest, Badge or Floral Emblem with 8 Line Entry	£306.90	£353.00	STD
11.017	Full Heraldic Device with 8 Line Entry	£342.10	£393.00	STD
	REMEMBRANCE CARDS with COPY of INSCRIPTION (inclusive of VAT) (Only in conjunction with an Entry in the Book of Remembrance)			
11.018	2 Line Entry	£56.10	£65.00	STD
11.019	3 Line Entry	£78.10	£90.00	STD
11.020	4 Line Entry	£101.20	£116.00	STD
11.021	5 Line Entry	£123.20	£142.00	STD
11.022	6 Line Entry	£145.20	£167.00	STD
11.023	7 Line Entry	£168.30	£194.00	STD
11.024	8 Line Entry	£189.20	£218.00	STD
11.025	Crest, Badge or Floral Emblem with 5 Line Entry	£181.50	£209.00	STD
11.026	Crest, Badge or Floral Emblem with 8 Line Entry	£248.60	£286.00	STD
11.027	Full Heraldic Device with 8 Line Entry	£283.80	£326.00	STD
	MINIATURE BOOK of REMEMBRANCE with COPY of INSCRIPTION (inclusive of VAT) (Only in conjunction with an Entry in the Book of Remembrance) Note: Each Additional inscription in the miniature book will be as remembrance card prices			
11.028	2 Line Entry	£71.50	£82.00	STD
11.029	3 Line Entry	£94.60	£109.00	STD
11.030	4 Line Entry	£116.60	£134.00	STD
11.031	5 Line Entry	£137.50	£158.00	STD
11.032	6 Line Entry	£160.60	£185.00	STD
11.033	7 Line Entry	£182.60	£210.00	STD
11.034	8 Line Entry	£205.70	£237.00	STD
11.035	Crest, Badge or Floral Emblem - with 5 Line Entry	£239.80	£276.00	STD
11.036	Crest, Badge or Floral Emblem with 8 Line Entry	£306.90	£353.00	STD
11.037	Full Heraldic Device with 8 Line Entry	£342.10	£393.00	STD
	BRONZE MEMORIAL KERB, SEAT and TREE PLAQUES			
11.038	Kerb Plaque (153mm x 102mm) (6" x 4") for 10 years	£325.60	£363.00	EX
11.039	Memorial Tree Plaque (178mm x 128mm) (7" x 5")	£463.10	£516.00	EX
11.040	Memorial Tree Plaque (230mm x 153mm) (9" x 6")	£713.90	£796.00	EX
11.041	Memorial Seat Plaque additional or replacement	£305.00	£340.00	EX
11.042	Reservation of Kerb Plaque Space in the Gardens of Remembrance - not refundable. (not liable to VAT)	£96.80	£108.00	EX
11.043	Renovate plaques for kerb, tree, bench or Recordia Wall	£92.40	£101.00	STD
	LEATHER PANEL - in Cloisters			
11.044	Blue leather panel with 10 year lease	£325.60	£363.00	EX
11.045	Renewal of lease Blue leather panel - @ £15 per year minimum 5 years	£93.50	£105.00	EX
	RECORDIA WALL MEMORIAL PLAQUE in the GARDENS of REMEMBRANCE at CHARLTON KINGS CEMETERY			
11.046	Wall Plaque (153mm x 102mm) (6" x 4")	£550.00	£613.00	EX
11.047	Reservation of Plaque Space (not liable to VAT)	£96.80	£108.00	EX
	BABY REMEMBRANCE GARDEN MEMORIAL PLAQUES			
11.048	6" x 3" 10 years	£234.30	£261.00	EX
11.049	7.25" x 3" 10 years	£284.90	£318.00	EX
11.050	8.5" x 3" 10 years	£334.40	£373.00	EX

11.051	8.5" x 3" plus design 10 years	£382.00	£426.00	EX
11.052	9.75" x 3" 10 years	£385.00	£429.00	EX
11.053	9.75" x 3" plus design 10 years	£431.00	£481.00	EX
11.054	11" x 3" 10 years	£433.40	£481.00	EX
11.055	11" x 3" plus design 10 years	£481.00	£536.00	EX
	BABY REMEMBRANCE GARDEN MEMORIAL PLAQUESRENEWAL			
11.056	additional 10 years lease	£152.90	£170.00	EX
	VASE BLOCK			
11.057	Vase Block (Single Inscription) 10 years	£576.40	£643.00	EX
11.058	Reservation of Vase Block with 10 years lease	£576.40	£643.00	EX
11.059	Additional 10 years lease	£229.90	£256.00	EX
11.060	Repaint lettering	£74.80	£83.00	STD
11.061	Additional Fee (1st or 2nd inscription, casket & appointment)		£430.00	STD
	TREE BLOCK			
11.062	Tree Block **20** years lease	£1,267.20	£1,413.00	EX
11.063	Additional 20 year lease	£517.00	£576.00	EX
	Additional Fee (1st or 2nd inscription, casket & appointment)		£507.00	EX
	BELOW GROUND SANCTUM VAULT			
11.064	Below ground vault - large enough to accept two sets of cremated remains (**20** years lease)	£1,875.50	£2,091.00	EX
11.065	Reservation with 20 years lease	£1,875.50	£2,091.00	EX
11.066	Additonal 10 year lease	£345.40	£385.00	EX
11.067	Photograph/Design additional charge	£118.00	£131.00	EX
11.068	Additional Fee (1st or 2nd inscription, casket & appointment)		£507.00	EX
	ABOVE GROUND NICHE			
11.069	Above ground niche - two sets of ashes 20 year lease inc first casket, first inscription and flower holder	£1,656.60	£1,847.00	EX
11.070	Reservation with 20 years lease	£1,656.60	£1,847.00	EX
11.071	Additonal 10 year lease	£345.40	£385.00	EX
11.072	Photograph/Design additional charge	£117.70	£131.00	EX
11.073	Additional Fee (1st or 2nd inscription, casket & appointment)		£564.00	EX
	ADDITIONAL FEE FOR NICHE/VAULT/BLOCKS			
	Inscription ~ either second OR first if purchased in reserve on Vase Block/Boulder Block/Niche/Vault			
	LEAF BLOCK			
11.073	Immediate use to include 20 years lease	£1,126.00	£1,255.00	EX
11.074	Reservation to include 20 years lease	£1,126.00	£1,255.00	EX
11.075	Renewal of lease for additional 10 years	£413.60	£461.00	EX
	LEAF BLOCK - ABOVE GROUND NICHE			
11.076	Immediate use large niche for two sets of ashes 20 years lease	£1,547.00	£1,724.00	EX
11.077	Reservation large niche for two sets of ashes 20 years lease	£1,547.00	£1,724.00	EX
11.078	Renewal of lease for additional 10 years large leaf block niche	£413.60	£461.00	EX
11.079	Dandelion ashes urn	£80.30	£90.00	EX
11.080	Additional Fee (1st or 2nd inscription, casket & appointment)		£579.00	EX
	POND MARKERS ~ no longer available to purchase - only add to existing purchased memorial			
11.081	Renewal of lease for additional 20 years - Pond Marker above ground niche	£413.60	£462.00	EX
11.082	Large memorial tablet including inscription	£468.60	£612.00	EX
	Additional Fee (1st or 2nd inscription, casket & appointment)		£579.00	EX
	MEMORIAL BENCH			
11.083	Provision of 4ft bench	£926.00	£1,032.00	EX
11.083	Provision of a council sanctioned hardwood 5 foot bench inc plaque, hard standing, fixing for lease period of 20 years	£1,267.20	£1,413.00	EX
11.084	Provision of a council sanctioned hardwood 6 foot bench inc plaque, hard standing, fixing for lease period of 20 years	£1,397.00	£1,558.00	EX
11.085	Renovation of memorial bench to include removal, cleaning, retreating and replace	£206.80	£231.00	STD
11.086	Remove and resite existing bench - hardstanding and labour	£128.70	£144.00	STD
11.087	Removal and Resiting of Kerb Plaque in Gardens of Remembrance (excluding renovation)	£62.70	£70.00	STD
11.088	Replacement Kerb Plaque (153mm x 102mm) (6" x 4") (inclusive of VAT)	£142.00	£158.00	EX
11.089	Replacement 5ft bench only	£834.00	£930.00	EX
11.090	Replacement 6ft bench only	£964.00	£1,075.00	EX
	FEES for SCATTERING/INTERRING CREMATION ASHES SCATTER in GARDENS of REMEMBRANCE or ON A GRAVE			
11.092	Cremated at Cheltenham - no appointment	£40.70	£45.00	STD

11.093	Cremated at Cheltenham - by appointment		£80.30	£90.00	STD
11.094	Cremated Elsewhere - with or without appointment		£103.40	£115.00	STD
11.095	Double Scattering if both sets cremated elsewhere - with or withour appointment		£144.10	£160.00	STD
	MISCELLANEOUS CHARGES				
11.096	Retention of Cremated Remains in temporary deposit pending final disposal -per month after the first month		£41.80	£47.00	EX
11.097	Additional Cremation Certificate		£26.40	£29.00	STD
11.098	Search Fee		£18.70	£21.00	STD
11.099	Urn		£46.20	£52.00	STD
11.100	Casket single		£69.30	£77.00	STD
11.101	Casket double		£98.00	£109.00	STD
11.102	Transfer of Grave Ownership		£55.00	£61.00	STD
11.103	Scattering tube		£17.00	£18.96	STD
11.104	Plastic vase			£3.00	STD
11.105	Weighted metal flower holder		£11.00	£12.27	STD
11.106	Memorial Wipes			£1.00	STD
11.107	Use of chapel for memorial service where burial or cremation taking place elsewhere		£403.00	£449.35	STD
11.108	Premium Friday 4pm Oak		£173.00	£192.90	STD
11.109	Exhumation of ashes including oversized casket		£362.00	£403.63	STD
11.110	APPLEBY HEARTS				
11.111	Purchase lease for Appleby Heart inc memorial		£2,000.00	£2,230.00	STD
11.112	Additional Fee (1st or 2nd inscription, casket & appointment)			£670.00	STD
11.113	TOADSTOOLS				
11.114	Purchase 10 year lease inc inscription		£275.00	£306.63	STD
11.115	Renewal of 10 year lease			£168.00	STD
11.116	General Admin fee			£61.00	STD
12	**Electoral Registration**				
	SALE OF PUBLICATIONS				
12.001	Register of Electors - hardcopy		Varies	Varies	NB
12.002	Data for Register of Electors - hardcopy		Varies	Varies	NB
	Plus cost of actual postage if applicable (can be emailed)				
	Cost set down in legislation.				
	Labels i.e. names & house addresses for parties				
	Rare occurrence & cost set down in legislation.				
12.003	Street Index		£20.00	£20.00	NB
12.004	Data for Street Index		£23.00	£23.00	NB
	Plus cost of actual postage if applicable (can be emailed)				
12.005	Marked copies of Polling Station Registers - (cost set down in legislation)		Varies	Varies	NB
13	**Food Safety Fees (inclusive of VAT)**				
13.001	Primary Authority Partnerships - set up costs		£83 per hour or part thereof	£87.46 x hrs spent	STD
13.002	Copies of any reports, preparation of statements etc (non commercial)		£83 per hour or part thereof	£87.46 x hrs spent	STD
13.003	Advice and consultancy - primary authority related		£83 per hour or part thereof	£87.46 x hrs spent	STD
13.004	Food Hygiene Rating Scheme requested revisits		£185.00	£218.63	STD
13.005	Gain and Retain a Rating of 5		£83 per hour or part thereof	£87.46 x hrs spent	STD
13.006	Food safety/hygiene advice and consultancy (excluding Primary Authority Partnerships)		£83 per hour or part thereof	£87.46 x hrs spent	STD
13.007	Health Certificates and attestations		£83/hr	£87.46 x hrs spent or part thereof	STD
14	**Health & Safety Fees (inclusive of VAT)**				
14.001	Tattoo Hygiene Rating Scheme	Inspection and rating of premises	£127.00	£262.35	STD
		Annual inspection of premises	£127.00	£262.35	STD
		Re-rating of premises upon request from business	£127.00	£218.63	STD
14.002	Copies of any reports, preparation of statements etc		£83 per hour or part thereof	£87.46 x hrs spent	STD
14.003	Health and Safety advice and consultancy (including beauty registrations but EXCLUDING animal licensing)		£83 per hour or part thereof	£87.46 x hrs spent	STD
	Beauty Registration Pre-Application Fees				
14.004	Soft/advisory visit		£83 per hour or part thereof	£87.46 x hrs spent	STD
14.005	Typed report following soft/advisory visit		£83 per hour or part thereof	£87.46 x hrs spent	STD
14.006	Telephone advice (15 minutes)		£83 per hour or part thereof	£87.46 x hrs spent	STD

16	**Licence Fees**				
	Beauty Registration Fees: Acupuncture, tattooing, electrolysis and skin piercing				
16.001	Personal licence		£122.00	£130.30	NB
16.002	Premises licence		£122.00	£130.30	NB
16.003	Replacement or reissued certificate		£19.00	£20.00	NB
16.004	Variation of registration including certificate		£57.00	£60.88	NB
	Animal boarding establishments Kennel/cattery/homeboarding/Day care				
16.005	License application and issue		£292.00	£585.00	NB
	Dangerous wild animals (excluding veterinary fees)				
16.006	New Application		£224.00	£650.00	NB
16.007	Renewal		£166.00	£650.00	NB
	Dog Breeding (excluding veterinary fees)				
16.008	New Application		£330.00	£650.00	NB
16.009	Replacement or reissued certificate (animal licensing)		£19.00	£20.00	NB
16.010	Variation of licence including certificate		POA	£87.46 x hrs spent	NB
	GAMBLING ACT 2005 - Bingo Club				
16.011	New application	min	£2,939.00	£3,138.85	NB
16.012	Annual fee	min	£842.00	£899.26	NB
16.013	Application to vary	min	£1,472.00	£1,572.10	NB
16.014	Application to transfer	min	£1,008.00	£1,076.54	NB
16.015	Application for reinstatement	min	£1,008.00	£1,076.54	NB
16.016	Application for provisional statement	min	£2,939.00	£3,138.85	NB
16.017	Licence application (provisional statement holders)	min	£1,008.00	£1,076.54	NB
16.018	Copy licence	min	£25.00	£25.00	NB
16.019	Notification of change	min	£40.00	£40.00	NB
	GAMBLING ACT 2005 - Betting Premises Exc. Track				
16.020	New application	min	£2,522.00	£2,693.50	NB
16.021	Annual fee	min	£504.00	£538.27	NB
16.022	Application to vary	min	£1,259.00	£1,344.61	NB
16.023	Application to transfer	min	£1,008.00	£1,076.54	NB
16.024	Application for reinstatement	min	£1,008.00	£1,076.54	NB
16.025	Application for provisional statement	min	£2,522.00	£2,693.50	NB
16.026	Licence application (provisional statement holders)	min	£1,008.00	£1,076.54	NB
16.027	Copy licence	min	£25.00	£25.00	NB
16.028	Notification of change	min	£40.00	£40.00	NB
	GAMBLING ACT 2005 - Track				
16.029	New application	min	£2,099.00	£2,241.73	NB
16.030	Annual fee	min	£842.00	£899.26	NB
16.031	Application to vary	min	£1,049.00	£1,120.33	NB
16.032	Application to transfer	min	£801.00	£855.47	NB
16.033	Application for reinstatement	min	£801.00	£855.47	NB
16.034	Application for provisional statement	min	£2,099.00	£2,241.73	NB
16.035	Licence application (provisional statement holders)	min	£801.00	£855.47	NB
16.036	Copy licence	min	£25.00	£25.00	NB
16.037	Notification of change	min	£40.00	£40.00	NB
16.038	Temporary Use Notice	min	£500.00	£500.00	NB
16.039	Temporary Use Notice - copy	min	£25.00	£25.00	NB
	GAMBLING ACT 2005 - Family Entertainment Centre				
16.040	New application	min	£1,681.00	£1,795.31	NB
16.041	Annual fee	min	£632.00	£674.98	NB
16.042	Application to vary	min	£842.00	£899.26	NB
16.043	Application to transfer	min	£801.00	£855.47	NB
16.044	Application for reinstatement	min	£801.00	£855.47	NB
16.045	Application for provisional statement	min	£1,681.00	£1,795.31	NB
16.046	Licence application (provisional statement holders)	min	£801.00	£855.47	NB
16.047	Copy licence	min	£25.00	£25.00	NB
16.048	Notification of change	min	£40.00	£40.00	NB
	GAMBLING ACT 2005 - Adult Gaming Centre				
16.049	New application	min	£1,681.00	£1,795.31	NB
16.050	Annual fee	min	£842.00	£899.26	NB

16.051	Application to vary	min	£842.00	£899.26	NB
16.052	Application to transfer	min	£1,008.00	£1,076.54	NB
16.053	Application for reinstatement	min	£1,008.00	£1,076.54	NB
16.054	Application for provisional statement	min	£1,681.00	£1,795.31	NB
16.055	Licence application (provisional statement holders)	min	£1,008.00	£1,076.54	NB
16.056	Copy licence	min	£25.00	£25.00	NB
16.057	Notification of change	min	£40.00	£40.00	NB
	GAMBLING ACT 2005 - Large Casino				
16.058	New application	min	£8,398.00	£8,969.06	NB
16.059	Annual fee	min	£8,398.00	£8,969.06	NB
16.060	Application to vary	min	£4,200.00	£4,485.60	NB
16.061	Application to transfer	min	£1,806.00	£1,928.81	NB
16.062	Application for reinstatement	min	£1,806.00	£1,928.81	NB
16.063	Application for provisional statement	min	£8,398.00	£8,969.06	NB
16.064	Licence application (provisional statement holders)	min	£4,200.00	£4,485.60	NB
16.065	Copy licence	min	£25.00	£25.00	NB
16.066	Notification of change	min	£40.00	£40.00	NB
	GAMBLING ACT 2005 - Small Casino				
16.067	New application	min	£3,150.00	£3,364.20	NB
16.068	Annual fee	min	£5,250.00	£5,607.00	NB
16.069	Application to vary	min	£3,675.00	£3,924.90	NB
16.070	Application to transfer	min	£1,050.00	£1,121.40	NB
16.071	Application for reinstatement	min	£1,050.00	£1,121.40	NB
16.072	Application for provisional statement	min	£5,250.00	£5,607.00	NB
16.073	Licence application (provisional statement holders)	min	£3,675.00	£3,924.90	NB
16.074	Copy licence	min	£25.00	£25.00	NB
16.075	Notification of change	min	£40.00	£40.00	NB
	GAMBLING ACT 2005 - Permits (fee fixed by statute)				
16.076	FEC gaming machine Application fee		£300.00	£300.00	NB
16.077	Renewal fee		£300.00	£300.00	NB
16.078	Transitional application fee		£100.00	£100.00	NB
16.079	Prize Gaming Application fee		£300.00	£300.00	NB
16.080	Renewal fee		£100.00	£100.00	NB
16.081	Transitional application fee		£100.00	£100.00	NB
16.082	FEC permits change of name		£25.00	£25.00	NB
16.083	copy of permit		£15.00	£15.00	NB
16.084	Prize gaming permits change of name		£25.00	£25.00	NB
16.085	copy of permit		£15.00	£15.00	NB
16.086	Notification of intention to make (up to 2) gaming machines available		£50.00	£50.00	NB
	Licensed premises gaming machine permits (more than 2 gaming machines)				
16.087	Application existing operator		£100.00	£100.00	NB
16.088	Application new operator		£150.00	£150.00	NB
16.089	Variation of permit		£100.00	£100.00	NB
16.090	Transfer of permit		£25.00	£25.00	NB
16.091	Change of name on permit		£25.00	£25.00	NB
16.092	Copy of permit		£15.00	£15.00	NB
16.093	Annual fee		£50 payable with 30 days of issue then annually on anniversary of issue	£50 payable with 30 days of issue then annually on anniversary of issue	NB
	GAMBLING ACT 2005 - Club gaming and club machine permits (fee fixed by statute)				
16.094	Application existing operator		£100.00	£100.00	NB
16.095	Application holder of club premises cert		£100.00	£100.00	NB
16.096	Application new applicant		£200.00	£200.00	NB
16.097	Renewal (every 10 years)		£200 (£100 for club premises certificate holder)	£200 (£100 for club premises certificate holder)	NB
16.098	Variation of permit		£100.00	£100.00	NB
16.099	Copy of permit		£15.00	£15.00	NB
16.100	Annual fee		£50 payable with 30 days of issue then annually on anniversary of issue	£50 payable with 30 days of issue then annually on anniversary of issue	NB
	Hackney carriage and private hire				
16.101	Vehicle licences initial - Electronic		£232.00	£250.00	NB
16.102	Vehicle licences renewal - Electronic		£232.00	£250.00	NB
16.103	Vehicle transfer or change		£100.00	£110.00	NB
	Driver licences				
16.104	Private hire - 3 year Initial Application - Electronic		£253.69	£261.00	NB
16.105	Hackney carriage - 3 year Initial application - Electronic		£253.69	£261.00	NB

16.106	Private hire - Three yearly Renewal - Electronic		£253.69	£261.00	NB
	Private hire operators licences (5 year licence)				
16.107	Licence (Micro)	Up to 3 cars	£1,418.50	£1,514.96	NB
16.108	Licence (Small)	4 - 10 cars	£1,708.01	£1,824.15	NB
16.109	Licence (Medium)	11 - 30 cars	£4,574.06	£4,885.10	NB
16.110	Licence (Large)	31 + cars	£6,382.16	£6,816.15	NB
	Miscellaneous				
16.111	Plate brackets		£13.20	£14.52	STD
16.112	Replacement drivers badge		£13.20	£14.52	NB
16.113	Replacement window badge		£13.20	£14.52	NB
16.114	Window pouch		£5.50	£6.05	STD
16.115	Replacement licence		£16.50	£18.15	NB
16.116	Replacement licence (change of circumstances) - per licence		£16.50	£18.15	NB
16.117	Loan of temporary top light		£45 per week	£45 per week	NB
16.118	English Proficiency Test		£49.50	£49.50	NB
16.119	Hackney carriage and Private Hire local knowledge test		N/a	£42.72	NB
16.120	Taxi/PH Safeguarding Training		N/a	£42.72	NB
16.121	Safeguarding + local knowledge test		N/a	£84.37	NB
16.122	Independent safeguarding Authority CRB check (from July 2010)		£83.05	£91.36	NB
16.123	Enhanced DBS check (fee not refundable)		£66.00	£66.00	NB
16.124	Plate exemption Application		£55.00	£60.50	NB
16.125	Plate Clips (for 4 clips)		£2.75	£3.03	STD
16.126	Application to Approve External Advertising		£55.00	£60.50	NB
16.127	Advance Booking Only Sticker (each)		£1.65	£1.82	NB
16.128	Change from PHD to HCD - Administration Fee		£44.00	£48.40	NB
16.129	APLH - Attendance – full day's training		£86.82	£95.00	NB
16.130	APLH - Resitting written assessment		£39.46	£45.00	
	Replacement vehicle plates				
16.131	- hackney carriage		£22.00	£24.20	NB
16.132	- private hire		£22.00	£24.20	NB
	GAMBLING ACT 2005 - Lotteries (fee fixed by statute)				
16.133	Initial registration		£44.00	£40.00	NB
16.134	Renewal		£22.00	£20.00	NB
	Expedited/late renewal fee				
16.135	Driver's licences (Late renewal applications only)		£44.00	£48.40	NB
16.136	Vehicle licences		£44.00	£48.40	NB
16.137	Operator's licences		£44.00	£48.40	NB
16.138	Objects on the highway		£82.50	£90.75	NB
16.139	Consent to distribute free printed material		£44.00	£48.40	NB
	Distributing free printed and promotional material				
16.140	5 points		£62.01	£66.23	NB
16.141	6 -10 points		£207.46	£221.57	NB
16.142	11-15 points		£295.41	£315.49	NB
16.143	16+ points		£413.79	£441.93	NB
	Advertising structures				
16.144	Administration fee not refundable for unsuccessful applicants		£130.52	£139.40	NB
	Information structures				
16.145	Administration fee (not refundable for unsuccessful applicants)– charity/not for profit		£62.01	£66.23	NB
16.146	Administration fee (not refundable for unsuccessful applicants)– commercial		£169.13	£180.63	NB
16.147	Charity/not for profit- £/sqm obstructed (in addition to administration fee)		£11.28	£12.04	NB
16.148	Commercial - £/sqm obstructed (in addition to administration fee)		£33.83	£36.13	NB
16.149	Advertising structures (new and renewal)		£118.39	£126.44	NB
	Zoos				
16.150	New		POA	£87.46 x hrs spent	NB
16.151	Renewal		POA	£87.46 x hrs spent	NB
16.152	New s14(2) dispensation		POA	£87.46 x hrs spent	NB
16.153	Renewal s14(2) dispensation		POA	£87.46 x hrs spent	NB
16.154	Transfer Replacement of Licence (Zoo)		POA	£87.46 x hrs spent	NB
16.155	Variation of licence including certificate (Zoo)		POA	£87.46 x hrs spent	NB

16.156	**Animal Activities Licensing Pre-application Advice**				
16.157	Advisory visit		83/hr	£87.46 x hrs spent	NB
16.158	Typed report (following advisory visit)		83/hr	£87.46 x hrs spent	NB
16.159	Check & send service (validation checks & submitting your pre-app to consultees for comment etc)		£165.00	£176.22	NB
	The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018				
16.160	Total fee include application and issue fee - does not include any required veternary fees, supplementary fees etc under Regulation 13				
16.161	**Selling animals as pets**	Total application fee	£412.00	£680.00	NB
16.162		Renewal with NO change to documented system		£680.00	NB
16.163	**Hiring out Horses**	Total application fee	£330.00	£659.00	NB
16.164		Renewal with NO change to documented system		£659.00	NB
16.165	**Exhibition of animals based in Local Authority Area**	Total application fee	£235.00	£585.00	NB
16.166		Renewal with NO change to documented system		£585.00	NB
	The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018 - Other Fees				
16.167	Star Re-Rating		£115.00	£122.82	NB
16.168	Star Re-Rating - Arrangers head office		£88.00	£93.98	NB
16.169	Star Re-Rating - Arranger Host		£110.00	£117.48	NB
16.170	Variation Fee (no visit required)		POA	£87.46 x hrs spent	NB
16.171	Variation Fee (excluding Animal Boarding and Animal Exhibiting) - visit required		POA	£87.46 x hrs spent	NB
16.172	Variation Fee for Animal Boarding and Animal Exhibiting (visit required)		POA	£87.46 x hrs spent	NB
16.173	Hard copy of licence		£22.00	£22.00	NB
	Premises licenses				
16.174	New application & variation	Band A	£100.00	£100.00	NB
16.175		Band B	£190.00	£190.00	NB
16.176		Band C	£315.00	£315.00	NB
16.177		Band D	£450.00	£450.00	NB
16.178		Band E	£635.00	£635.00	NB
	The Government has used the non-domestic rateable value (NDRV) as the means of allocating premises to fee bands. NDRV is considered the fairest method of allocating fee bands because it:				
16.179	Application for minor variation of licence (fixed by statute)		£89.00	£89.00	NB
16.180	Multiplier applied to premises used exclusively or primarily for the supply of alcohol for consumption on the premises.	Band D x2	£900.00	£900.00	NB
16.181		Band E x3	£1,905.00	£1,905.00	NB
16.182	Annual charge *	Band A	£70.00	£70.00	NB
16.183		Band B	£180.00	£180.00	NB
16.184		Band C	£295.00	£295.00	NB
16.185		Band D	£320.00	£320.00	NB
16.186		Band E	£350.00	£350.00	NB
16.187	Annual charge multiplier applied to premises used exclusively or primarily for the supply of alcohol for consumption on the premises.	Band D x2	£640.00	£640.00	NB
16.188		Band E x3	£1,050.00	£1,050.00	NB
	Club premises certificates				
16.189	New application and variation	Band A	£100.00	£100.00	NB
16.190		Band B	£190.00	£190.00	NB
16.191		Band C	£315.00	£315.00	NB
16.192		Band D	£450.00	£450.00	NB
16.193		Band E	£635.00	£635.00	NB
16.194	Annual Charge	Band A	£70.00	£70.00	NB
16.195		Band B	£180.00	£180.00	NB
16.196		Band C	£295.00	£295.00	NB
16.197		Band D	£320.00	£320.00	NB
16.198		Band E	£350.00	£350.00	NB

*There are additional fees for premises licence applications, and the annual fee for exceptionally large scale events (5,000+), unless certain conditions apply. Please read Regulation 4(4) and 4(5) of The Licensing Act 2003 (Fees) Regulations 2005

	Additional Premises Licence fee				
16.199	Number in attendance at any one time	5,000 to 9,999	£1,000.00	£1,000.00	NB
16.200		10,000 to 14,999	£2,000.00	£2,000.00	NB
16.201		15,000 to 19,999	£4,000.00	£4,000.00	NB
16.202		20,000 to 29,999	£8,000.00	£8,000.00	NB
16.203		30,000 to 39,999	£16,000.00	£16,000.00	NB
16.204		40,000 to 49,999	£24,000.00	£24,000.00	NB
16.205		50,000 to 59,999	£32,000.00	£32,000.00	NB
16.206		60,000 to 69,999	£40,000.00	£40,000.00	NB
16.207		70,000 to 79,999	£48,000.00	£48,000.00	NB
16.208		80,000 to 89,999	£56,000.00	£56,000.00	NB
16.209		90,000 and over	£64,000.00	£64,000.00	NB
	Additional annual fee payable, if applicable				
16.210	Number in attendance at any one time	5,000 to 9,999	£500.00	£500.00	NB
16.211		10,000 to 14,999	£1,000.00	£1,000.00	NB
16.212		15,000 to 19,999	£2,000.00	£2,000.00	NB
16.213		20,000 to 29,999	£4,000.00	£4,000.00	NB
16.214		30,000 to 39,999	£8,000.00	£8,000.00	NB
16.215		40,000 to 49,999	£12,000.00	£12,000.00	NB
16.216		50,000 to 59,999	£16,000.00	£16,000.00	NB
16.217		60,000 to 69,999	£20,000.00	£20,000.00	NB
16.218		70,000 to 79,999	£24,000.00	£24,000.00	NB
16.219		80,000 to 89,999	£28,000.00	£28,000.00	NB
16.220		90,000 and over	£32,000.00	£32,000.00	NB
	Licensing Pre-application Advice				
16.221	New premises licence	C&S (Check & send)	£44.00	£48.40	STD
16.222		PAC (Pre-application consultation)	£77.00	£84.70	STD
16.223		Full (Full service) - Smalll	£77.00	£84.70	STD
16.224		Large/meduim	£143.00	£157.30	STD
16.225	Full variation of a premises licence	C&S (Check & send)	£44.00	£48.40	STD
16.226		PAC (Pre-application consultation)	£77.00	£84.70	STD
16.227		Full (Full service) - Smalll	£77.00	£84.70	STD
16.228		Large/meduim	£143.00	£157.30	STD
16.229	Minor variation of a premises licence	PAC (Pre-application consultation)	£44.00	£48.40	STD
16.230		Full (Full service) - Smalll	£77.00	£84.70	STD
16.231		Large/meduim	£143.00	£157.30	STD
16.232	Street trading consent	PAC (Pre-application consultation)	£44.00	£48.40	STD
16.233		Full (Full service) - charity/not for profit	£77.00	£84.70	STD
16.234		Full (Full service) - commercial rate	£143.00	£157.30	STD
16.235	Permission to place objects on the highway	PAC (Pre-application consultation)	£44.00	£48.40	STD
16.236		Full (Full service) - charity/not for profit	£77.00	£84.70	STD
16.237		Full (Full service) - commercial rate	£143.00	£157.30	STD
16.238	Application for a club premises certificate	C&S (Check & send)	£44.00	£48.40	STD
16.239		PAC (Pre-application consultation)	£77.00	£84.70	STD
16.240		Full (Full service)	£77.00	£84.70	STD
16.241	Application for the grant or renewal of a personal licence		£37.00	£37.00	NB
16.242	Temporary event notice		£21.00	£21.00	NB
16.243	Theft, loss, etc. of premises licence or summary		£11.00	£11.00	NB
16.244	Application for a provisional statement where premises being built etc.		£315.00	£315.00	NB
16.245	Notification of change of name or address		£11.00	£11.00	NB
16.246	Application to vary licence to specify individual as premises supervisor		£23.00	£23.00	NB
16.247	Application for transfer of premises licence		£23.00	£23.00	NB
16.248	Interim authority notice following death etc. of licence holder		£23.00	£23.00	NB
16.249	Theft, loss etc. of certificate or summary		£10.00	£10.00	NB
16.250	Notification of change of name or alteration of rules of club		£10.50	£10.50	NB
16.251	Change of relevant registered address of club		£10.50	£10.50	NB
16.252	Theft, loss etc. of temporary event notice		£10.50	£10.50	NB
16.253	Theft, loss etc. of personal licence		£10.50	£10.50	NB
16.254	Duty to notify change of name or address		£10.50	£10.50	NB
16.255	Right of freeholder recto be notified of licensing matters		£21.00	£21.00	NB
16.256	Temporary Use Notice (Gambling Act) - Fee (*see note below)		£500.00	£500.00	NB
16.257	Copy of Notice		£25.00	£25.00	NB

	Sex establishments				
16.258	Deposit (not refundable) *NEW		£1,158.00	£1,236.74	NB
16.259	Initial Application (remainder)		£1,158.00	£1,236.74	NB
16.260	Subsequent Fee		£593.48	£633.83	NB
16.261	Transfer or variation		£593.48	£633.83	NB
16.262	**Sexual Entertainment Licence**				
16.263	Deposit (not refundable) *NEW		£1,300.00	£2,000.00	NB
16.264	Initial Application (remainder)		£1,300.00	£2,468.00	NB
16.265	Subsequent Fee		£1,614.38	£2,468.00	NB
16.266	Transfer or variation		£871.25	£898.00	NB
	Street trading consents - annual				
16.267	Administration fee for unsuccessful applicants		£107.63	£114.94	NB
	Ice cream vehicles				
16.268	- annual		£1,296.63	£1,384.80	NB
16.269	- seasonal	Apr - Sep	£862.03	£920.64	NB
	Hot food units - Town Centre only (Core Commercial Area)				
16.270	Consent	Full Year	£5,223.40	£5,578.59	NB
16.271		Half Year	£2,630.15	£2,809.00	NB
16.272		Three Months	£1,333.53	£1,424.20	NB
	Hot food units - Outside Town Centre				
16.273	Consent	Full Year	£3,429.65	£3,662.87	NB
16.274		Half Year	£1,734.30	£1,852.23	NB
16.275		Three Months	£885.60	£945.82	NB
	Mobile and static Units				
16.276	Mobile Unit - Drinks only		£4,561.25	£4,871.42	NB
	Flower stalls - prime sites				
	(to include Promenade and High Street between Pittville Street and Bath Road)				
16.277	Consent	Full Year	£4,174.83	£4,458.71	NB
16.278		Half Year	£2,106.38	£2,249.61	NB
16.279		Three Months	£1,072.15	£1,145.06	NB
16.280	**Flower stalls - secondary sites**				
16.281	Consent	Full Year	£3,347.65	£3,575.29	NB
16.282		Half Year	£1,693.30	£1,808.44	NB
16.283		Three Months	£865.10	£923.93	NB
	Other stalls or units - prime sites				
	(to include Promenade and High Street between Boots Corner and Bath Road, including sites up to 20 metres away from Promenade and High Street)				
16.284	Consent	Full Year	£4,290.65	£4,582.41	NB
16.285		Half Year	£2,164.80	£2,312.01	NB
16.286		Three Months	£1,100.85	£1,175.71	NB
16.287		Monthly	£366.95	£391.90	NB
16.288		Day rate	£25.63	£27.37	NB
	Other stalls or units - secondary sites				
16.289	Consent	Full Year	£3,440.93	£3,674.91	NB
16.290		Half Year	£12,502.95	£13,353.15	NB
16.291		Three Months	£887.65	£948.01	NB
16.292		Monthly	£296.23	£316.37	NB
16.293		Day rate	£15.38	£16.42	NB
	Markets				
16.294	Suffolk Street Traders and Montpellier Profile Group		£296.53	£316.70	NB
16.295	Continental Market		£418.30	£446.75	NB
16.296	Other markets (stall/day in addition to admin fee)		£22.55	£24.08	NB
	Scrap Metal Dealers Act 2013 (new fees from September 2013)				
	Site Licence				
16.297	Grant, renewal and variation to change of site manager		£425.38	£454.30	NB
16.298	Variation other than a change of site manager		£91.23	£97.43	NB
16.299	Copy of a licence		£12.30	£13.14	NB
16.300	Scrap metal dealers (Late renewal applications only)		£35.88	£38.31	NB

	Collector's Licence				
16.301	Grant and renewal of a collector's scrap metal dealer licence		£387.45	£413.80	NB
16.302	Variation		£91.23	£97.43	NB
16.303	Copy of a licence		£12.30	£13.14	NB
	Lifelines				
	**Majority will be exempt due to long term health condition - a few will not be therefore charged at 20%*				
16.304	Daily Rental of Lifeline alarm unit		£0.48	£0.61	EX/STD*
16.305	Annual rental of Lifeline Alarm Unit (Analogue)		£174.31	£222.65	EX/STD*
16.306	New account set up Charge (Analogue)		£20.00	£48.00	EX/STD*
16.307	Annual rental of Lifeline Alarm Unit (Digital)		£222.36	£222.65	EX/STD*
16.308	New account set up Charge (Digital)		£48.00	£48.00	EX/STD*
16.309	Annual monitoring charge only		£89.63	£137.63	EX/STD*
16.310	Annual rental of Falls monitor		£36.00	£42.00	EX/STD*
	Miscellaneous Charges				
16.311	Call out charge		£20.00	£25.00	STD
16.312	Collection charge		£12.00	£22.00	STD
16.313	Lost Pendant Charge		£42.00	£52.00	STD
16.314	Extra Cord Charge		£5.00	£5.00	STD
16.315	Charge for lost lifeline equipment		£120.00	£260.00	STD
	Keysafes				
16.316	Installation of a SUPRA C500 Keysafe (To supply and install a Keysafe)		£72.00	£72.00	STD
16.317	Supply only Supra C500 Keysafe		£65.00	£65.00	STD
16.318	Installation of Accesspoint Keysafe (To supply and install)		£58.00	£58.00	STD
16.319	Installation only		£42.00	£50.00	STD
	Miscellaneous Properties				
	Property Rents				
16.320	Granting L/L Consent (assignments and subletting)*		£385.00	£385.00	STD
16.321	Granting L/L Consent (Building Alterations)*		£385.00	£385.00	
16.322	Granting residential leasehold extensions		£385.00	£385.00	STD
16.323	Granting wayleaves or easements		£450.00	£450.00	STD
16.324	Development Agreements – To be agreed		TBA	TBA	STD
21	**Neighbourhood Regeneration**				
21.001	06/07 Statutory License (Housing Act 2004)	Charge per property	Recover actual costs incurred	£825.00	EX
21.002	06/07 Formal Notices - Housing Standards Officer - Charged on a cost recovery basis, based on time recording and hourly rates of officers.		Recover actual costs incurred	Recover actual costs incurred	EX
21.003	Mobile Home License charges (Mobile Home Act 2013)	Charge per site	Recover actual costs incurred	Recover actual costs incurred	EX
22	**Outdoor Recreation (inclusive of VAT)**				
22.001	Adult Football with changing rooms		£59.50	£63.55	STD
22.002	Pitch only		£30.80	£32.90	STD
22.003	Junior football with changing rooms		£32.20	£34.40	STD
22.004	Junior football pitch only		£29.00	£31.00	STD
22.005	Rugby with changing rooms		£59.50	£63.55	STD
22.006	Adult Cricket Weekends		£63.00	£67.30	STD
22.007	Playgroups per session		£15.40	£16.45	STD
22.008	Playgroup Swindon Village		£12.50	£13.35	STD
22.009	Tennis per hour per court		£8.00	£8.50	STD
22.010	Tennis half hour " "		£4.00	£4.00	STD
22.011	Tennis OAP/Jnr. " "		£5.00	£5.00	STD
22.012	Fishing Adult all day		£8.50	£9.00	STD
22.013	Fishing OAP/Jnr all day		£5.00	£5.00	STD
22.014	Golf Adult		£7.00	£7.50	STD
22.015	Golf OAP/Jnr		£5.00	£5.30	STD
22.016	Equipment Hire - Irons		£2.80	£3.00	STD
22.017	Golf Balls (each)		£1.20	£1.30	STD
22.018	Fishing Permits		£9.50	£10.00	STD
22.019	Boating - Rowing 1 hr		£12.00	£12.00	STD
22.020	Rowing half an hour		£8.00	£8.50	STD
22.021	Juniors under 10, half an hour		£4.60	£4.90	STD
	Event Daily Charges for Parks, Gardens & Playing fields				
	Montpellier Gardens:-				
22.022	Commercial		1,170.00 - 880.00	970 - 1290	EX

22.023	Registered Charity	£310.00	£330.00	EX
22.024	Community	£60.00	£65.00	EX
	Sandford Park			
22.025	Commercial	1,170.00 - 880.00	970 - 1290	EX
22.026	Registered Charity	£310.00	£330.00	EX
22.027	Community	£60.00	£65.00	EX
	Pittville park			
22.028	Commercial	1,170.00 - 880.00	970 - 1290	EX
22.029	Registered Charity	£310.00	£330.00	EX
22.030	Community	£60.00	£65.00	EX
	Imperial Gardens - Whole Gardens			
22.031	Commercial	1,170.00 - 880.00	970 - 1290	EX
22.032	Registered Charity	£310.00	£330.00	EX
22.033	Community	£60.00	£65.00	EX
	Fitness Classes			
22.034	4-9 participants	£4.75	£5.00	EX
22.035	10-15 participants	£9.20	£9.85	EX
22.036	16+ participants	£18.40	£19.65	EX
22.037	Tethered hot air baloon	£880.80 £0.00	£940.00	EX
22.038	Professional Dog Walkers Annual Licence	£352.32	£380.00	EX
23	**Pest Control Fees (inclusive of VAT)** *Charges may vary depending on how many rooms need to be treated* **Standard Prices**			
23.001	Ants	£85 for first visit Subsequent Visits £35	£90 for first visit Subsequent Visits £35	STD
23.002	Bedbugs	£375 Per visit may require more than 1 Visit	£400 Per visit may require more than 1 Visit	STD
23.003	Beetles	£45 Survey (Quotation will follow survey)	£45 Survey (Quotation will follow survey)	STD
23.004	Booklice	£45 Survey (Quotation will follow survey)	£45 Survey (Quotation will follow survey)	STD
23.005	Carpet bettles and moths	£150 for 1 Visit and £85 for subsequent visits	£160 for 1 Visit and £85 for subsequent visits	STD
23.006	Cockroaches (includes 2 visits)	£190 for 1 Visit and £85 for subsequent visits	£195 for 1 Visit and £85 for subsequent visits	STD
23.007	Flies (house and cluster) per treatment	£95 for first visit subsequent £45 per subsequent visits	£100 for first visit subsequent £45 per subsequent visits	STD
23.008	Fleas 1 - 3 rooms	(£95 for first visit and £50 for subsequent visits) 3 bed house	(£100 for first visit and £50 for subsequent visits) 3 bed house	STD
23.009	Fleas 4 rooms + (minimum charge)	£125 for first visit for 4-6 bedrooms and £50 for subsequent visits	£135 for first visit for 4-6 bedrooms and £50 for subsequent visits	STD
23.010	Mice (Up to 3 visits) Non refundable deposit £29	(£165 for 3 visits, subsequent visits £35) for up to 3 bedrooms £190 for 3 visits, for 4-6 bedrooms Quote for over 6 bedrooms	(£175 for 3 visits, subsequent visits £35) for up to 3 bedrooms £190 for 3 visits, for 4-6 bedrooms Quote for over 6 bedrooms	STD
23.011	Spraying to prevent leptosperosis (Recommended after Rat treatment)	£40 per treatment	£40 per treatment	STD
23.012	Rats (Up to 3 visits) Non refundable deposit £25	(£165 for 3 visits, subsequent visits £35) for up to 3 bedrooms £190 for 3 visits, for 4-6 bedrooms Quote for over 6 bedrooms	(£175 for 3 visits, subsequent visits £35) for up to 3 bedrooms £190 for 3 visits, for 4-6 bedrooms Quote for over 6 bedrooms	STD
23.013	Squirrels (Maximum of 5 visits) £25 per subsequent visit. Non refundable deposit of £25.	£245 for max 5 visits traps to be checked daily	£260 for max 5 visits traps to be checked daily	STD
23.014	Wasps (per nest) £15 per additional nest	£65 First Nest £25 for subsequent nests	£70 First Nest £25 for subsequent nests	STD
23.015	Woodlice (minimum charge)	Survey and quote	Survey and quote	STD
23.016	Survey/Advice Fee - Standard	£45.00	£45.00	STD
23.017	Prices for people on Income Support	Case by case basis	Case by case basis	STD
	Commercial or business customer (pest control contract with the council) **Regular size business**			
23.018	Pests Covered Rats, Mice, Ant, Wasps, Fleas, Flies, other pest such as Cockroaches, Moths and Bed Bugs may require a more intensive treatment method which may incure additional costs.	£ 70 per visit based 12 visits a year. Callouts outside normal contract visits will be charged at: £105 per visit	£ 70 per visit based 12 visits a year. Callouts outside normal contract visits will be charged at: £105 per visit	STD
	Large size business			
23.019	Pests Covered Rats, Mice, Ant, Wasps, Fleas, Flies, other pest such as Cockroaches, Moths and Bed Bugs may require a more intensive treatment method which may need additional visits.	£140 per visit based on 12 visits a year. Callouts outside . Normal contract visits will be charged at £210 per visit.	£140 per visit based on 12 visits a year. Callouts outside . Normal contract visits will be charged at £210 per visit.	STD
	Commercial or business customer (no pest control contract with the council)			
23.020	Ants	£65 survey and quote for works	£65 survey and quote for works	STD
23.021	Cockroaches	£65 survey and quote for works	£65 survey and quote for works	STD
23.022	Bedbugs	£65 survey and quote for works	£65 survey and quote for works	STD

23.023	Flies (house and cluster)		£65 survey and quote for works	£65 survey and quote for works	STD
23.024	Fleas		£65 survey and quote for works	£65 survey and quote for works	STD
23.025	Mice (up to 3 visits)		£250 for 3 visits and £65 for subsquent Visits	£270 for 3 visits and £65 for subsquent Visits	STD
23.026	Rats (up to 3 visits)		£250 for 3 visits and £65 for subsquent Visits	£270 for 3 visits and £65 for subsquent Visits	STD
23.027	Wasps (per nest) £20 per additional nest		£75 First Nest £35 for subsequent nests	£80 First Nest £35 for subsequent nests	STD
					STD
23.028	Survey/Advice Fee - Standard		Included above	Included above	STD
23.029	Survey/Advice Fee - Income Support		Included above	Included above	STD
24	**Planning Fees** The Town and Country Planning Act 1990				
24.001	The Town and Country Planning (Fees for Applications and Deemed Applications) (Amendment) (England) Regulations 2005 require that fees shall be paid in respect of planning and advertisement applications.		Set nationally	Set nationally	EX
	1. The erection of dwellinghouses				
24.002	Outline	the site area is less than 0.5 hectares	£578 for each 0.1 hectare	£578 for each 0.1 hectare	NB
24.003		the site area is at least 0.5 hectares but does not exceed 2.5 hectares	£624 for each 0.1 hectare (or part thereof) of the site area	£624 for each 0.1 hectare (or part thereof) of the site area	NB
24.004		the site area exceeds 2.5 hectares	£15,433 and an additional £186 for each 0.1 hectare (or part thereof) in excess of 2.5 hectares, subject to a maximum in total of £202,500.	£15,433 and an additional £186 for each 0.1 hectare (or part thereof) in excess of 2.5 hectares, subject to a maximum in total of £202,500.	NB
24.005					
24.006		permission in principle	£503 for each 0.1 hectare	£503 for each 0.1 hectare	NB
24.007					
24.008		where the number of dwellinghouses to be created by the development is fewer than 10	£578 for each dwelling house	£578 for each dwelling house	NB
24.009		where the number of dwellinghouses to be created by the development is at least 10 but no more than 50	£624 for each dwellinghouse	£624 for each dwellinghouse	NB
24.010		where the number of dwellinghouses to be created by the development is more than 50	£30,860 and an additional £186 for each dwellinghouse in excess of 50, subject to a maximum in total of £405,000	£30,860 and an additional £186 for each dwellinghouse in excess of 50, subject to a maximum in total of £405,000	NB
	2. The erection of buildings (other than buildings in categories 1, 3, 4, 5 or 7)				
24.011	Where the application is for outline planning permission and:	the site area is less than 1 hectare	£578 for each 0.1 hectare	£578 for each 0.1 hectare	NB
24.012		the site area is at least 1 hectare but does not exceed 2.5 hectares	£624 for each 0.1 hectare	£624 for each 0.1 hectare	NB
24.013		the site area exceeds 2.5 hectares	£15,433 and an additional £186 for each 0.1 hectare (or part thereof) in excess of 2.5 hectares, subject to a maximum in total of £202,500	£15,433 and an additional £186 for each 0.1 hectare (or part thereof) in excess of 2.5 hectares, subject to a maximum in total of £202,500	NB
24.014		Where the application is for permission in principle	£503 for each 0.1 hectare	£503 for each 0.1 hectare	NB
24.015		where no floor space is to be created by the development	£293.00	£293.00	NB
24.016		where the area of gross floor space to be created by the development does not exceed 40 square metres	£293.00	£293.00	NB
24.017		where the area of gross floor space created by the development exceeds 40 square metres but is less than 1000 square metres	£578 for each 75 square metres	£578 for each 75 square metres	NB
24.018		where the area of gross floor space created by the development is at least 1000 square metres but does not exceed 3750 square metres	£624 for each 75 square metres	£624 for each 75 square metres	NB
24.019		where the area of gross floor space created by the development exceeds 3750 square metres	£30,680 and an additional £186 for each 75 square metres (or part thereof) in excess of 3750 square metres, subject to a maximum in total of £405,000	£30,680 and an additional £186 for each 75 square metres (or part thereof) in excess of 3750 square metres, subject to a maximum in total of £405,000	NB
	3. The erection, on land used for the purposes of agriculture, or buildings used for agricultural purposes (other than buildings in category 4)				
24.020	Where the application is for outline planning permission and:	the site area is less than 1 hectare	£578 for each 0.1 hectare	£578 for each 0.1 hectare	NB
24.021		the site area is at least 1 hectare but does not exceed 2.5 hectares	£624 for each 0.1 hectare	£624 for each 0.1 hectare	NB

24.022		the site area exceeds 2.5 hectares	£15,433 and an additional £186 for each 0.1 hectare (or part thereof) in excess of 2.5 hectares, subject to a maximum in total of £202,500	£15,433 and an additional £186 for each 0.1 hectare (or part thereof) in excess of 2.5 hectares, subject to a maximum in total of £202,500	NB
24.023	Where the application is for permission in principle		£503 for each 0.1 hectare	£503 for each 0.1 hectare	NB
24.024	In any other case—	where the area of gross floor space to be created by the development does not exceed 465sqm	£120.00	£120.00	NB
24.025		where the area of gross floor space to be created by the development exceeds 465 square metres but does not exceed 540 square metres	£578.00	£578.00	NB
24.026		where the area of gross floor space to be created by the development exceeds 540 square	£578 and an additional £578 for each 75 square metres (or part thereof) in excess of 540 square metres		
24.027		where the area of gross floor space to be created by the development is at least 1000square metres but does not exceed 4215 square metres	£624 and an additional £624 for each75 square metres (or part thereof) in excess of1000 square metres	£624 and an additional £624 for each75 square metres (or part thereof) in excess of1000 square metres	NB
24.028		where the area of gross floor space to be created by the development exceeds 4215 square metres	£30,860 and an additional £186 for each 75 square metres (or part thereof) in excess of 4215 square metres, subject to a maximum in total of £405,000	£30,860 and an additional £186 for each 75 square metres (or part thereof) in excess of 4215 square metres, subject to a maximum in total of £405,000	NB
24.029	**4. The erection of glasshouses on land used for the purposes of agriculture**	Where the area of gross floor space to be created by the development does not exceed 465 square metres	£120.00	£120.00	NB
24.030		Where the area of gross floor space to be created by the development exceeds 465 square metres but is less than 1000 square metres	£3,225.00	£3,225.00	NB
24.031		Where the area of gross floor space to be created by the development is 1000 square metres or more	£3,483.00	£3,483.00	NB
24.032					
24.033	**5. The erection, alteration of replacement of plant or machinery**	Where the site area is less than 1 hectare	£578.00	£578.00	NB
24.034		Where the site area is at least 1 hectare but does not exceed 5 hectares	£642.00	£642.00	NB
24.035		Where the site area exceeds 5 hectares	£30,860 and an additional £186 for each 0.1 hectare (or part thereof) in excess of 5 hectares, subject to a maximum in total of £405,000.	£30,860 and an additional £186 for each 0.1 hectare (or part thereof) in excess of 5 hectares, subject to a maximum in total of £405,000.	NB
24.036	**6. The enlargement, improvement or other alteration of existing dwellinghouses**	Where the application relates to a single dwellinghouse	£258.00	£258.00	NB
24.037		Where the application relates to two or more dwellinghouses	£509.00	£509.00	NB
24.038	**7. The carrying out of operations (including the erection of a building) within the curtilage of an existing dwellinghouse for purposes ancillary to the enjoyment of the dwellinghouse as such, or the erection or construction of gates, fences, walls or other means of enclosure along a boundary of the curtilage of an existing dwellinghouse**		£258.00	£258.00	NB
24.039	**8. The construction of car parks, service roads and other means of access on land used for the purposes of a single undertaking where the development is required for a purpose incidental to the existing use of the land**		£293.00	£293.00	NB
24.040	**9. The carrying out of any operations connected with exploratory drilling for oil or natural gas.**	Where the site area does not exceed 7.5 hectares	£686 for each 0.1 hectare	£686 for each 0.1 hectare	NB

24.041		Where the site area exceeds 7.5 hectares	£51,395 and an additional £204 for each 0.1 hectare (or part thereof) of the site area in excess of 7.5 hectares, subject to a maximum in total of £405,000.	£51,395 and an additional £204 for each 0.1 hectare (or part thereof) of the site area in excess of 7.5 hectares, subject to a maximum in total of £405,000.	NB
24.042	**10. The carrying out of any operations (other than operations coming within category 9) for the winning and working of oil or natural gas.**	Where the site area does not exceed 15 hectares	£347 for each 0.1 hectare	£347 for each 0.1 hectare	NB
24.043		Where the site area exceeds 15 hectares	£52,002 and an additional £204 for each 0.1 hectare (or part thereof) in excess of 15 hectares, subject to a maximum in total of £105,300.00	£52,002 and an additional £204 for each 0.1 hectare (or part thereof) in excess of 15 hectares, subject to a maximum in total of £105,300.00	NB
	11. The carrying out of any operations not coming within any of the above categories.				
24.044	In the case of operations for the winning and working of minerals—	where the site area does not exceed 15 hectares	£315 for each 0.1ha and an additional £186 for each 0.1 hectare (or part thereof) in excess of 15 hectares, subject to a maximum in total of £105,300.	£315 for each 0.1ha	NB
24.045		where the site area exceeds 15 hectares	£471.61 and an additional £186 for each 0.1 hectare (or part thereof) in excess of 15 hectares, subject to a maximum in total of £105,300.	£471.61 and an additional £186 for each 0.1 hectare (or part thereof) in excess of 15 hectares, subject to a maximum in total of £105,300.	NB
24.046		In any other case	In any other case, £293 for each 0.1 hectare (or part thereof) of the site area, subject to a maximum in total of £2,535	In any other case, £293 for each 0.1 hectare (or part thereof) of the site area, subject to a maximum in total of £2,535	NB
	12. Uses of land				
24.047	Where the change of use is from a previous use as a single dwellinghouse to use as two or more single dwellinghouses:	where the change of use is to use as fewer than 10 dwellinghouses	£578 for each additional dwellinghouse;	£578 for each additional dwellinghouse;	NB
24.048		where the change of use is to use as at least 10 but no more than 50 dwellinghouses	£624 for each additional dwellinghouse	£624 for each additional dwellinghouse	NB
24.049		where the change of use is to use as more than 50 dwellinghouses	£30,860 and an additional £186 for each dwellinghouse in excess of 50 dwellinghouses, subject to a maximum in total of £405,000.	£30,860 and an additional £186 for each dwellinghouse in excess of 50 dwellinghouses, subject to a maximum in total of £405,000.	NB
24.050	In all other cases:	where the change of use is to use as fewer than 10 dwellinghouses	£578 for each dwellinghouse;	£578 for each dwellinghouse;	NB
24.051		where the change of use is to use as at least 10 but no more than 50 dwellinghouses	£624 for each dwellinghouse	£624 for each dwellinghouse	NB
24.052		where the change of use is to use as more than 50 dwellinghouses	£30,860 and an additional £186 for each dwellinghouse in excess of 50 dwellinghouses, subject to a maximum in total of £405,000.	£30,860 and an additional £186 for each dwellinghouse in excess of 50 dwellinghouses, subject to a maximum in total of £405,000.	NB
	13. The use of land for— (a) the disposal of refuse or waste materials (b) the deposit of material remaining after minerals have been extracted from land, or (c) the storage of minerals in the open.				
24.053		Where the site area does not exceed 15 hectares	£316 for each 0.1 hectare	£316 for each 0.1 hectare	NB
24.054		Where the site area exceeds 15 hectares	£47,161 and an additional £186 for each 0.1 hectare (or part thereof) of the site area in excess of 15 hectares, subject to a maximum	£47,161 and an additional £186 for each 0.1 hectare (or part thereof) of the site area in excess of 15 hectares, subject to a maximum	NB
24.055	**14. The making of a material change in use of a building or land (other than a material change of use in category 12 or 13**		£578.00	£578.00	NB
24.056	Telephone appointments	Planning or conservation telephone appointment (no written response)	£50.00	£50.00	NB
	Householder	Fees for householder pre-application advice			
24.057	Formal pre-application submission:	Letter only	£75.00	£75.00	NB
24.058		Meeting and letter	£100.00	£100.00	NB
24.059		Site visit and letter	£135.00	£135.00	NB
24.060		Follow-up meeting	£50.00	£50.00	NB

	Residential development	Fees for residential development pre-application advice			
24.061	1-2 dwellings:	Letter only	£250.00	£250.00	NB
24.062		Meeting and letter	£350.00	£350.00	NB
24.063		Site visit and letter	£400.00	£400.00	NB
24.064		Follow-up meeting	£100.00	£100.00	NB
24.065		Follow-up letter	£125.00	£125.00	NB
24.066	3-9 dwellings:	Letter only	£600.00	£600.00	NB
24.067		Meeting and letter	£700.00	£700.00	NB
24.068		Site visit and letter	£800.00	£800.00	NB
24.069		Follow-up meeting	£125.00	£125.00	NB
24.070		Follow-up letter	£150.00	£150.00	NB
24.071	10 to 49 dwellings:	Letter only	£1,000.00	£1,000.00	NB
24.072		Meeting and letter	£1,250.00	£1,250.00	NB
24.073		Site visit and letter	£1,500.00	£1,500.00	NB
24.074		Follow-up meeting	£250.00	£250.00	NB
24.075		Follow-up letter	£300.00	£300.00	NB
24.076	50 to 199 dwellings:	Letter only	£3,000.00	£3,000.00	NB
24.077		Meeting and letter	£3,350.00	£3,350.00	NB
24.078		Site visit and letter	£3,500.00	£3,500.00	NB
24.079		Follow-up meeting	£350.00	£350.00	NB
24.080		Follow-up letter	£500.00	£500.00	NB
24.081	200 to 350 dwellings:	Letter only	£4,000.00	£4,000.00	NB
24.082		Meeting and letter	£4,400.00	£4,400.00	NB
24.083		Site visit and letter	£4,750.00	£4,750.00	NB
24.084		Follow-up meeting	£450.00	£450.00	NB
24.085		Follow-up letter	£750.00	£750.00	NB
24.086	General principle advice for 10 to 49 dwellings or up to 5000 sq metres floor space; meeting only (up to 60 minutes) with no written response		£500.00	£500.00	NB
24.087	General principle advice for 50 or more dwellings or over 5000 sq metres floor space; meeting only (up to 90 minutes) with no written response		£1,000.00	£1,000.00	NB
	Non-residential or commercial development	Fees for non-residential or commercial development pre-application advice			
24.088	Up to 500 sq metres:	Letter only	£250.00	£250.00	NB
24.089		Meeting and letter	£350.00	£350.00	NB
24.090		Site visit and letter	£400.00	£400.00	NB
24.091		Follow-up meeting	£100.00	£100.00	NB
24.092		Follow-up letter	£125.00	£125.00	NB
24.093	501 to 999 sq metres:	Letter only	£400.00	£400.00	NB
24.094		Meeting and letter	£500.00	£500.00	NB
24.095		Site visit and letter	£600.00	£600.00	NB
24.096		Follow-up meeting	£100.00	£100.00	NB
24.097		Follow-up letter	£125.00	£125.00	NB
24.098	1,000 to 4,999 sq metres:	Letter only	£1,000.00	£1,000.00	NB
24.099		Meeting and letter	£1,250.00	£1,250.00	NB
24.100		Site visit and letter	£1,500.00	£1,500.00	NB
24.101		Follow-up meeting	£250.00	£250.00	NB
24.102		Follow-up letter	£300.00	£300.00	NB
24.103	5,000 to 9,999 sq metres:	Letter only	£2,000.00	£2,000.00	NB
24.104		Meeting and letter	£2,350.00	£2,350.00	NB
24.105		Site visit and letter	£2,500.00	£2,500.00	NB
24.106		Follow-up meeting	£350.00	£350.00	NB
24.107		Follow-up letter	£500.00	£500.00	NB
24.108	10,000 to 19,999 sq metres:	Letter only	£3,000.00	£3,000.00	NB
24.109		Meeting and letter	£3,500.00	£3,500.00	NB
24.110		Site visit and letter	£4,000.00	£4,000.00	NB
24.111		Follow-up meeting	£450.00	£450.00	NB
24.112		Follow-up letter	£750.00	£750.00	NB

	Other fees	Fees for other pre-application advice			
24.113	Listed building (solely LBC) - householder:	Letter only	£75.00	£75.00	NB
24.114		Meeting and letter	£100.00	£100.00	NB
24.115		Site visit and letter	£135.00	£135.00	NB
24.116		Follow-up meeting	£50.00	£50.00	NB
24.117		Follow-up letter	NA	NA	
24.118	Listed building (solely LBC) - non-householder:	Letter only	£150.00	£150.00	NB
24.119		Meeting and letter	£200.00	£200.00	NB
24.120		Site visit and letter	£250.00	£250.00	NB
24.121		Follow-up meeting	£100.00	£100.00	NB
24.122		Follow-up letter	NA	NA	
24.123	Change of use:	Letter only	£200.00	£200.00	NB
24.124		Meeting and letter	£250.00	£250.00	NB
24.125		Site visit and letter	£300.00	£300.00	NB
24.126		Follow-up meeting	£100.00	£100.00	NB
24.127		Follow-up letter	£125.00	£125.00	NB
24.128	Advertisements:	Letter only	£75.00	£75.00	NB
24.129		Meeting and letter	NA	NA	
24.130		Site visit and letter	NA	NA	
24.131		Follow-up meeting	NA	NA	
24.132		Follow-up letter	NA	NA	
	Specialist comments	Where specialist comments are needed, the following fees will be added to the relevant category of development fee:			
24.133	Heritage and conservation	for householder	£50.00	£50.00	NB
24.134		for all other developments	£150.00	£150.00	NB
24.135	Drainage		£50.00	£50.00	NB
	Notes	Development of over 350 dwellings, or more than 20,000 sq metres of commercial development will need a Planning Performance Agreement, please contact us to discuss			
	Exemption from fees	**No fees will be payable when:** the enquiry is made by a local authority or county council and relates to a statutory function the enquiry is made by a parish council the proposal relates to development of an existing dwelling where the works are for the benefit of a disabled occupier			
	Reduction in fees for charities	A 50 per cent reduction in fees will be given for local charities or local community groups			
25	**Pollution Control Fees**				
	Application Fee				
25.001	Standard process (includes solvent emission activities)		£1,650.00	£1,650.00	NB
25.002	Additional fee for operating with a permit		£1,188.00	£1,188.00	NB
25.003	PVRI, SWOBs and Dry Cleaners		£155.00	£155.00	NB
25.004	PVR I & II combined		£257.00	£257.00	NB
25.005	VRs and other Reduced Fee Activities		£362.00	£362.00	NB
25.006	Reduced fee activites: Additonal fee for operating without a permit		£71.00	£71.00	NB
25.007	Mobile plant - not using simplified permits		£1,650.00	£1,650.00	NB
25.008	Mobile plant for the third to seventh applications		£985.00	£985.00	NB
25.009	Mobile plant for the eigth and subsequent applications		£498.00	£498.00	NB
	Annual Subsistence Charge				
25.010	Standard process Low*		£772.00	£772.00	NB
25.011	Standard process Medium*		£1,161.00	£1,161.00	NB
25.012	Standard process High*		£1,747.00	£1,747.00	NB
25.013	PVRI, SWOBs and Dry Cleaner Low		£79.00	£79.00	NB
25.014	PVRI, SWOBs and Dry Cleaner Medium		£158.00	£158.00	NB

25.015	PVRI, SWOBs and Dry Cleaner High	£237.00	£237.00	NB
25.016	PVR I & II combined Low	£113.00	£113.00	NB
25.017	PVR I & II combined Medium	£226.00	£226.00	NB
25.018	PVR I & II combined High	£341.00	£341.00	NB
25.019	VRs and other Reduced Fees Low	£228.00	£228.00	NB
25.020	VRs and other Reduced Fees Medium	£365.00	£365.00	NB
25.021	VRs and other Reduced Fees High	£548.00	£548.00	NB
25.022	Moile plant, for first and second permits Low - not using simplified permits	£626.00	£626.00	NB
25.023	Moile plant, for first and second permits Medium - not using simplified permits	£1,034.00	£1,034.00	NB
25.024	Moile plant, for first and second permits High - not using simplified permits	£1,551.00	£1,551.00	NB
25.025	for the third to sevent permits Low	£385.00	£385.00	NB
25.026	for the third to sevent permits Medium	£617.00	£617.00	NB
25.027	for the third to sevent permits High	£924.00	£924.00	NB
25.028	eighth and subsequent permits Low	£198.00	£198.00	NB
25.029	eighth and subsequent permits Medium	£314.00	£314.00	NB
25.030	eighth and subsequent permits High	£473.00	£473.00	NB
25.031	Late payment fee	£52.00	£52.00	NB
	** the additional amounts in brackets must be charged where a permit is for a combined Part B and waste installation*			
	Where a Part B installation is subject to reporting under the E-PRTR Regulation, add an extra £99 to the amounts			
	Transfer and Surrender			
25.032	Standard process transfer	£169.00	£169.00	NB
25.033	Standard process partial transfer	£497.00	£497.00	NB
25.034	New operator at low risk reduced fee activity (extra one-off subsistence charge - see Art 15(2) of charging scheme)	£75.00	£75.00	NB
25.035	Surrender: all Part B activities	£0.00	£0.00	NB
25.036	Reduced fee activities: transfer	£0.00	£0.00	NB
25.037	Reduced fee activities: partial transfer	£47.00	£47.00	NB
	Temporary transfer for mobiles			
25.038	First transfer	£53.00	£53.00	NB
25.039	Repeat following enforcement or warning	£53.00	£53.00	NB
	Substantial change			
25.040	Standard process	£1,050.00	£1,050.00	NB
25.041	Standard process where the substantial change results in a new PPC activity	£1,650.00	£1,650.00	NB
25.042	Reduced fee activities	£102.00	£102.00	NB
25.043	Public Health Funerals	£83 per hour or part thereof officer time plus undertaker and cemetary costs etc	£87.46 per hour or part thereof officer time plus undertaker and cemetary costs etc	EX
25.044	Environmental protection/pollution control advice and consultancy	£83 per hour of business advice/consultancy (flat rate - includes documentation etc)	£87.46 per hour or part thereof officer time plus undertaker and cemetary costs etc	STD
25.045	Antisocial behaviour advice and consultancy	£83 per hour of business advice/consultancy (flat rate - includes documentation etc)	£87.46 per hour or part thereof officer time plus undertaker and cemetary costs etc	STD
	Private water supplies:			
25.046	Sampling and laboratory analysis	up to £286 for analysis of full set of samples plus courier fee @ £35 all plus VAT	£87.46 per hour or part thereof officer time plus courier fee @ £35 all plus VAT	STD
26	**Seat Sponsorship**			
26.001	Charge = actual cost of seat and installation	Recharge Actual Costs plus £200	Recharge Actual Costs plus up to £500	STD
27	**Street Care (excluding VAT)**			
27.001	Fixed penalty notices under the Antisocial Behaviour, Crime & Policing Act 2014. Examples include Public Spaces Protection Orders and Community Protection Notices.	£100 reduced to £80 for early payment	£100 reduced to £80 for early payment	NB
28	**Streetscene Enforcement**			
	Abandoned Vehicle			
28.001	Inspection of Abandoned Vehicle and arranging for removal on private land	£65.00	£69.42	STD
	Fixed Penalty Notices served in Environmental Protection & Streetscene Enforcement			

28.002	Abandoning a vehicle		£200.00	£200.00	NB
28.003	- if paid within a reduced time		N/a	N/a	
28.004	Depositing Litter		£150.00	£500.00	NB
28.005	- if paid within a reduced time		£90.00	£225.00	NB
28.006	Depositing Litter from a vehicle (civil penalty)		£150.00	£500.00	NB
28.007	- if paid within a reduced time		£90.00	£225.00	NB
28.008	Graffiti (on property)		£150.00	£500.00	NB
28.009	- if paid within a reduced time		£90.00	£225.00	NB
28.010	Graffiti (highway signs)		£150.00	£500.00	NB
28.011	- if paid within a reduced time		£90.00	£225.00	NB
28.012	Graffiti (on highways)		£150.00	£500.00	NB
28.013	- if paid within a reduced time		£90.00	£225.00	NB
28.014	Failure to comply with household waste provisions		£80.00	£80.00	NB
28.015	- if paid within a reduced time		£50.00	£50.00	NB
28.016	Failure to comply with commercial or industrial waste provisions		£110.00	£110.00	NB
28.017	- if paid within a reduced time		£75.00	£75.00	NB
28.018	Failure to keep/provide documents relating to controlled waste		£300.00	£300.00	NB
28.019	- if paid within a reduced time				
28.020	Failure to produce waste transfer notes		£300.00	£300.00	NB
28.021	- if paid within a reduced time				
28.022	Parking vehicles exposed for sale on the road		£100.00	£100.00	NB
28.023	- if paid within a reduced time		£75.00	£75.00	NB
28.024	Repairing of vehicles on the road by a business		£100.00	£100.00	NB
28.025	- if paid within a reduced time		£75.00	£75.00	NB
28.026	Unauthorised deposit of controlled waste		£400.00	£1,000.00	NB
28.027	if paid within reduced time		£250.00	£450.00	NB
28.035	Distrubuting of Printed Matter		£80.00	£80.00	NB
	if paid within reduced time		£50.00	£50.00	NB
28.036	Fly Posting - illigal adverts		£80.00	£80.00	NB
	if paid within reduced time		£50.00	£50.00	NB
28.037	Breach of Public Spaces order		£100.00	£100.00	NB
	if paid within reduced time		£80.00	£80.00	NB
28.038	Breach of a Community Protection Order		£100.00	£100.00	NB
	if paid within reduced time		£80.00	£80.00	NB
29	**Waste & Cleansing (plus VAT unless non-vatable)**				
29.001	Special Collections and Bulky Waste Collections	per unit	£24.50	£26.00	NB
29.002	Fixed Charge for a Bulky Waste Collection - 3 piece suite (calculated at 1.5 units)	each	£36.30	£39.00	NB
29.003	Garden Waste Service - annual subscription	Annual	£50.00	£55.00	NB
29.004	Replacement Garden Waste Bins	each	£32.45	£34.50	NB
29.005	Replacement 190 Ltr Wheelie Bins	each	£53.35	£56.60	NB
29.006	Garden Waste sacks - roll of 10	per roll	£16.50	£17.50	NB
29.007	Refuse Sacks - special refuse collection - roll of 15 (limited to 1 roll per resident per year)	per roll	£16.50	£17.50	NB
29.008	Replacement 340ltr Domestic Wheelie Bins	each	£111.50	£118.50	NB
29.008	Replacement 11000ltr Communal Bins	each	£459.00	£487.00	NB
29.009	Refuse Sacks - special refuse collection on collection day - up to 20 bags	each	£24.50	£26.00	NB
29.010	Delivery of garden waste sacks	each	£1.25	£4.00	NB

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Final Budget Proposal 2024/25

Key

	Significant and/or long-term positive impact identified. No changes needed.
	Slight or short-term positive impact identified. No changes needed but could be reviewed to improve.
	Not applicable or no cause for concern.
	Slight or short-term negative impact identified. Review to identify possible improvements.
	Significant and/or long-term negative impact identified. Changes needed before proceeding.

ENVIRONMENTAL	Scores	Action	Justification	Reviewed
GHGs	4	No action required	There is a proposal in the budget to reduce energy consumption in line with our carbon net zero corporate priority. The 2024/25 proposal concerns CBC owned buildings but technology, knowledge and skills may be shared more widely in future years.	Accepted
Air quality	4	No action required	There are no new specific proposals on air quality, other than the existing base budget and grant funding we have been allocated from Government which is planned to be spent on initiatives in 2024/25. Funding will support the outcomes of the recent AQMA action plan consultation.	Accepted
Sustainable Transport	4	No action required	There are budget proposals for EV charging hubs and a reserve allocated for sustainable transport initiatives for staff which have been used in 2023/24. These will have an impact in future financial years and may be rolled out more widely across the town, it should be noted that the GCC climate coordinator group leads on delivery of sustainable transport initiatives.	Accepted
Land Use Change	-2	Review - identify possible improvements	There are capital projects and wider initiatives that the budget supports that have a negative impact on land use, as a consequence of additional developments, however these are being mitigated through the sustainability and net zero focus expressed within BNG, GVD SDP, and climate SPD. Realisation of these stretching targets is having to be balanced with available budget.	Accepted

Biodiversity	0	No action required.	ditional burdens funding from central government is being used to employ an ecologist to asses Council's land holding for BNG and SANGS opportunities to maximise impact and value for CBC. This will provide supplement budget for green spaces and once established, the initiatives will be self-financing. Funding has been budgeted for the Gloucestershire Nature Partnership to support nature recovery.	Accepted
Soil and waterway health	0	No action required.	There is funding allocated to the Flooding team which is being used for the development of SuDS, which will improve water quality. Green spaces have base budget for reactive repairs and maintenance which includes testing of soil and waterways where required. For example, last year the budget was spent to respond to the pollution in the lake at Pittville Park and manage the area back to the relevant quality standards.	Accepted
Climate Change Adaptation	4	No action required	Some flood risk management has been budgeted for 2024/25, no climate risk and vulnerbality assesment has been funded at the borough wide level, awaiting of GCC to deliver this.	Accepted
Energy Use	4	No action required	Reduction targets of 25% energy consumption support this. The Green Investment Fund for capital investment into energy efficiency projects. There is no designated revenue budget other than the existing property budgets for BMS and behavioural change.	Accepted
Sustainable Materials	-1	Review - identify possible improvements	This has not been addressed in the budget, although capital construction projects are asked to calculate embodied carbon, most rarely do, the additional cost associated with sustainable construction materials are not budgeted for, however it is noted that this is difficult to apply at the whole organisation level and is dependent on individual project teams.	Accepted
Waste	8	No action required	The budget proposal continues our investment in Ubico - including recycling, reuse, bulking and re-sale of waste collected.	Accepted

SOCIAL	Scores	Action	Justification	Reviewed
Food	0	No action required.	The budget continues to invest in the Council's allotments and community grants will continue to be available to ensure vulnerable residents continue to have access to food.	Accepted
Health	0	No action required.	The budget supports the continued development of both a culture strategy and a sports strategy for the town. The green spaces in the town will continue to be maintained and a number of capital projects are included to improve play spaces, community grounds and reducing traffic to the town centre.	Accepted
Housing	0	No action required.	The general fund budget includes provision to support CBH in acquiring and building new affordable homes, including the Homes for Ukraine scheme. This is also provided through the £180m housing investment plan.	Accepted

Education	0	No action required.	e are continuing to invest in apprenticeships at the Council.	Accepted
Community	0	No action required.	In line with the asset management strategy, we are reviewing our portfolio to prioritise investment, including buildings in the community that are Council owned.	Accepted
Culture	0	No action required.	The allocated budget for the team managed by Richard Gibson will support further work in the community. Continued support of the Cheltenham Trust, the launch of the culture strategy and continued investment in the Wilson and other community buildings.	Accepted
Accessibility	0	No action required.	Resources in the budget to implement accessibility to Council resources.	Accepted
Local Economy and Jobs	0	No action required.	Investment in the high street and economic development/inward investment is a key focus of the budget to support the towns economy.	Accepted
Safety	0	No action required.	Investment in the Minster Quarter and work at Town Centre East will reduce the ASB in this area.	Accepted
Democratic Voice	0	No action required.	Meetings held with key stakeholders and views/feedback provided through consultation - see relevant appendix which summarises the results.	Accepted
Equity	0	No action required.	See Equality Impact Assessment.	Accepted

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Cheltenham Borough Council

Cabinet Meeting – 23rd February 2024

Council Meeting – 23rd February 2024

Housing Revenue Account - Budget Proposals 2024/25 and Revised Forecast 2023/24

Accountable member:

Cllr Peter Jeffries – Cabinet Member Finance and Assets

Accountable officer:

Paul Jones – Executive Director Finance, Assets and Regeneration (Section 151 Officer)

Accountable scrutiny committee:

Budget Scrutiny Working Group

Ward(s) affected:

All

Key/Significant Decision:

Yes

Executive summary:

This report summarises the Cabinet's budget proposals for the Housing Revenue Account (HRA) for 2024/25 and the revised forecast for 2023/24.

The last 18 months has been a turbulent period economically and politically in the UK. As the country exited pandemic-related restrictions it entered a period of international supply chain restrictions leading to rising inflation. This was substantially worsened by the energy price shock arising from the invasion of Ukraine with the Bank of England increasing interest rates to the current 5.25% to try to stem inflation. Added to this have been tax rate changes and other tax thresholds being frozen while government department spending is restrained which has put further pressure on local government finances and household incomes.

Government, however, have confirmed that rent policy for 24/25 will be to increase rents by September CPI +1% giving rise to a 7.7% increase across all tenures which will support, at least in the short term, the investment proposed in this budget paper into new homes, existing homes, other core landlord services and further support for tenants and communities whilst the cost-of-living crisis is still very real for many.

The Council's corporate plan sets out a big ambition to increase the supply of affordable homes, a comprehensive approach to the climate agenda and the ongoing need to modernise and continuously improve services for residents. The Council has committed to deliver jobs and opportunities for all and tackle poverty through the Golden Valley development, enhancing Cheltenham's position as the Cyber Capital of the UK.

Despite the challenges facing the HRA the Council believes it is important to continue to invest in growing the HRA in order to maintain long term financial viability for the benefit of both tenants and our communities. The 23/24 budget reflected this approach, and the long-term position is now showing signs of improving with interest cover projected to increase and terminal debt levels reducing below the high point modelled last year. Careful management of resources and plans for growth are still required during 24/25 and will allow the Council to continue to provide essential support for tenants and communities.

The Council has already been successful in three bids to the Government's Social Housing Decarbonisation Fund with total funding to date of £3m. Combined with investment from the HRA this will enable the Council to improve 236 homes to at least EPC C by the end of 24/25. The four-year capital programme includes a further £11.1m of investment in sustainability measures for an estimated 430 homes. This will support tenants to save on their energy consumption, benefit from improved comfort levels in their home and help to improve their overall health and wellbeing.

Investment in core landlord services and community services remains a key priority whilst ensuring operating costs are being controlled to deliver value for money. These services continue to be delivered collaboratively with other partners to increase the scope and impact for customers and communities. Timely feedback on these services from customers is achieved through quarterly telephone surveys with a target of reaching out to 20% of our customers each year. This feedback forms a crucial part of our planning for service changes and improvements to ensure high performance and satisfaction is maintained. The most recent full year benchmarking analysis shows performance and satisfaction being quartile 1 (75% of 28 measures) and quartile 2 levels compared to peers.

Beyond the core landlord services the budget will ensure we are able to maintain our Benefit and Money Advice service particularly supporting those in financial hardship; our Training and Employment service which supports digital inclusion, job clubs, skills hubs and young people who are at risk of exclusion from school; and our community investment teams which run programmes throughout the year focusing on young people, health and wellbeing, individuals impacted by Adverse Childhood Experiences and a Housing First pathway - permanently housing rough sleepers with intensive tenancy management support.

The budget proposals set out in this paper for 24/25 demonstrate the importance of investing both to strengthen the HRA for the long term and to improve the homes and services provided to our customers whilst strengthening tenant scrutiny and listening and acting on what our tenants say to help improve and influence housing services.

Bringing CBH back into the Council will also help to strengthen the housing service by creating a single organisation of larger scale which will be well placed to respond to the new regulatory framework for housing and maximise opportunities for growth ensuring resources go further as we continue to deliver for our customers.

Recommendations:

1. Approve the final HRA budget proposals (shown at Appendix 2)
2. Approve a rent increase of 7.7% for social rent homes, affordable rent homes and shared ownership homes and changes to other rents and charges as detailed within the report
3. Approve the HRA capital programme as shown at Appendix 3 and the detailed capital programme at Appendix 4
4. Approve the HRA's Asset Management Plan (AMP) to 2028 at Appendix 5
5. Note the revised HRA forecast for 2023/24

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1. Implications

1.1. Financial implications

As detailed in the report and appendices.

Signed off by: Gemma Bell, Director of Finance & Assets (Deputy s151 officer)

1.2. Legal implications

The HRA is a separate account that all local authorities with housing stock are required to maintain. The Local Government and Housing Act 1989 provides a statutory duty to set a HRA budget that is balanced or in overall surplus and determine the rent for Council house tenants each financial year.

Under the Constitution Cabinet has responsibility for the preparation of budget proposals for the HRA which are subject to consideration and approval by Full Council in February each year.

By approving the budgets for repairs and maintenance and the capital programme, Cabinet are making key decisions as to the use of the budget. Consequently, the acceptance of tenders in excess of £100,000 by the lead member (or officers if authorised under the constitution) for contracts required to deliver works, services and supplies under the approved budget headings, will not be key decisions.

Section 24 of the Housing Act 1985 provides the Council with a power to make such reasonable charges as they may determine for the tenancy or occupation of their houses. This section also requires Local Authorities from time to time to review rents and make such changes, as circumstances may require. Notices of any increase in rent must be sent to tenants 28 days in advance of the new charges coming into effect.

Signed off by: One Legal, legalservices@onelegal.org.uk

1.3. HR implications

Relationships with the two recognised trade unions continue to remain very positive. The Leadership Team and the HR team will continue to work closely with TU colleagues in order to ensure that any potential impact on employees as a result of the transition of CBH back into the

Council and the realisation of budget savings are kept to a minimum.

Signed off by: Ann Wolstencroft, Head of Performance, Projects and Risk, ann.wolstencroft@cheltenham.gov.uk

1.4. Environmental and climate change implications

The budget includes investment in the retrofit of existing homes through a fabric first approach, to make them as energy efficient as possible for the benefit of customers, investing in new low carbon homes, and improving the energy efficiency of operations to support the aim of making Cheltenham net zero carbon by 2030.

A reduction in energy consumption leads to a reduction in overall greenhouse gas emissions, and therefore aligns with our Climate Emergency Action Plan. The investment in the capital programme will expedite our progress towards becoming a net zero Council.

Signed off by: Paul Jones, Executive Director Finance, Assets and Regeneration

1.5. Property/asset implications

The budget includes investment in both existing homes and delivery of new homes for the HRA.

Signed off by: Gemma Bell, Director of Finance & Assets (Deputy s151 officer)

1.6. Corporate policy framework implications

The actions outlined in this budget will help ensure that the council can deliver its corporate objectives as set out in the Corporate Plan.

Signed off by: Paul Jones, Executive Director Finance, Assets and Regeneration

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2. Promoting equality and reducing discrimination

A combined equality impact assessment covers the whole Council budget, including the HRA.

3. Performance management – monitoring and review

The budget for the HRA is monitored by the CBC Finance team and Cabinet throughout the year and reported to Cabinet and the Budget Scrutiny Working Group during the year.

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4. Background

4.1. .In accordance with the Council's Budget and Policy Framework Rules, which are part of the Council's constitution, the Cabinet is required to prepare interim budget proposals for the financial year ahead and consult on its proposals for no less than four weeks prior to finalising recommendations for the Council to consider in February 2024. The consultation took place between the period 20th December 2023 to 31 January 2024 and this report sets out the final budget proposals for the HRA.

4.2. Government Policy

4.2.1. Rent policy guidance for 2024/25 has been confirmed by Government as being September 2023 CPI +1% however future rent policy beyond 24/25 is uncertain with a consultation from Government expected later this year. The current stated policy of above CPI rises supports investment in the sector for new supply, compliance and improving existing homes.

4.2.2. Tax changes and caps on benefits increase pressure on rent arrears and homelessness provision however following the freeze on the Local Housing Allowance LHA since April 2020 the rate has been restored to the 30th percentile (meaning the LHA rate will fully cover the rent of up to three in every 10 homes in Cheltenham) from April 2024. As an example the 'One bedroom' rate will increase by 14% which will allow the rent rise to be fully reflected in new affordable rents in 24/25.

4.2.3. The National Living Wage will rise by 9.8% to £11.44 an hour for individuals aged 21 and over. The Chancellor also confirmed Universal Credit and other benefits will increase from April by 6.7% in line with September 2023's inflation figure and the state pension will increase by 8.5%.

4.2.4. Wave 2.1 of the Government's Social Housing Decarbonisation Fund (SHDF) was launched in September 2022 to support the installation of energy performance measures in social homes in England. £778 million of government funding was allocated for Wave 2.1 of which £2.2m was successfully won for Cheltenham. Wave 2.2 is for providers not successful in Wave 2.1. Wave 3 is likely to be launched in the Autumn of 2024 and clarity is needed on the requirements for this tranche of funding and whether it will be available to support retrofit works planned for 25/26.

4.2.5. The cost of additional compliance and other regulations continues to feed through to the HRA relating to electrical safety, fire safety, building safety, DMC (damp, mould, condensation) and complaints handling as well as the cost of supporting the work of the Regulator. Further regulatory changes by Government may arise once the current review of the Decent Homes Standard is concluded, expected later in 2024.

4.2.6. Short term certainty has been provided by Government as noted above however longer term, beyond 1 year, policy on areas such as rents is needed to support the Council's ambitious plans for Cheltenham.

4.3. Current Operating Environment

4.3.1. Councils, including Cheltenham, are experiencing a period of significant challenge and funding pressure as the demand for services continues to rise whilst the cost of providing these services has increased substantially over the last 12 months.

4.3.2. Inflation in the construction and maintenance sector and high interest rates impact financial viability and timing of delivery of new build schemes and acquisitions of properties. Many housing providers in the sector have reduced or delayed their new build programmes due to these financial pressures.

4.3.3. In the job market turnover of staff is slowing but the challenge on recruitment and retention remains; due to strong pay growth in the private sector there is a greater reliance on subcontractors to deliver certain maintenance services meaning further upward pressure on costs.

4.3.4. The current operating environment has improved slightly from last financial year; the expected growth in rental income and the easing of pressure on the HRA's cost base will allow the financial position to recover modestly in 24/25. However, there is still a reduction in capacity of the HRA from previous years and therefore the scale and pace of future investment needs to be managed carefully.

4.4. Cheltenham's Corporate Plan

4.4.1. Cheltenham Borough Council's corporate plan sets out a big ambition to increase the supply of affordable homes, a comprehensive approach to the climate agenda and the ongoing need to modernise and continuously improve services for residents. The Council has committed to deliver jobs and opportunities for all and tackle poverty through the Golden Valley development, enhancing Cheltenham's position as the Cyber Capital of the UK.

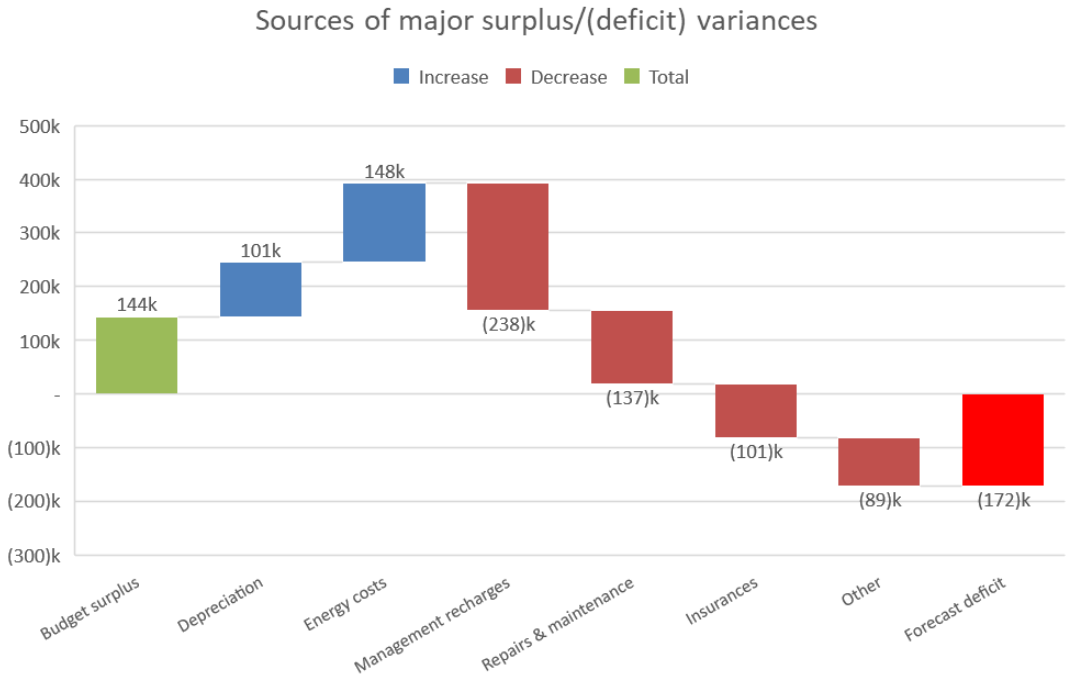
4.4.2. The Council has a clear strategy to deliver these ambitions in respect of housing and housing services, that recognises that living in a high quality, safe, and affordable home is a key determinant of health, wellbeing, resilience, and prosperity outcomes for every Cheltenham resident and community. This strategy includes:

- **Placing residents at the centre of decision making**: By using insight to support evidence-based decision making, enabling residents to take ownership of their communities and in helping prioritise sustainable investment into frontline services.
- **Delivering high quality new homes**: By delivering new affordable homes, acquiring homes on the open market, and enabling development and regeneration opportunities.
- **Reinvesting in existing homes and neighbourhoods**: By reaching a net zero carbon target by 2030, reinvesting in existing homes and regenerating the existing stock footprint, and by investing in neighbourhoods to tackle ASB and improve community safety.
- **Ensuring shared prosperity**: By commissioning services to reduce homelessness, support pathways and community outreach to support the most vulnerable, and with a prevention-based approach to support whole-system outcomes.
- **Delivering value-for-money**: By maximising resources through cost control, operating efficiencies and cross-cutting partnerships that support joint leadership roles, co-location of staff, resource-pooling and the joint commissioning of services.

4.4.3. The activities required in 2024/25 to support the delivery of this strategy are set out in section 5 below.

4.5. Revised Forecast 2023/24

4.5.1. The budget for 2023/24 reflected the increasing cost pressures on the HRA with a budgeted operating surplus of £143,800. The revised forecast shows a negative variance of £315,900 from budget, leading to a forecast operating deficit for the year to £172,100. Significant variations have been identified in budget monitoring reports and are shown below.



4.5.2. Depreciation calculations have been reviewed and updated for estimated component rates from the current round of procurement and changes to the timing of new acquisitions and neighbourhood works.

4.5.3. Recent energy costs have been reviewed with savings identified against what was budgeted. This has been achieved through a new fixed rate electricity contract, the new ground source heat pump system at Cumming Court and lower gas prices. These changes are delivering estimated savings of 25% against the budget for 23/24.

4.5.4. Additional CBC staff costs and other costs to the HRA relate to the transition of the housing service from CBH to the Council.

4.5.5. Repairs and maintenance costs have increased due to inflation pressures on materials and subcontractor costs, additional agency staff and subcontractor costs, and additional capacity to progress EICR work (electrical safety certificates).

4.5.6. The recent insurance renewals have resulted in increasing premiums due to fire related claims and changes to property reinstatement values.

4.5.7. Other changes include lower dwelling rents due to the timing of when acquired properties will be ready to let following void works, in particular the LAHF refugee acquisition programme as completion dates are later than originally estimated, and increased interest costs on temporary borrowing.

4.5.8. The HRA capital programme shows a 15% reduction in forecast spend on existing homes, down by £1.9m to £10.9m on the original budget due to a combination of contractor delays and reduced costs from pre-tender estimates. The main changes are: increased costs of major voids (+£0.3m), extended customer consultation on neighbourhood works (-£0.3m), procurement delays on retrofit works (-£0.8m), contractor delays on the warden call replacement system (-£0.5m), and savings from pre tender estimates for works to non-traditional build properties (-£0.4m).

4.5.9. The new build programme is anticipated to reduce by £11.7m to £10.3m due to delays in delivering on land led schemes and progress on developer led s106 schemes. The budget included expected works beginning on 320 Swindon Road and Monkscroft Schools as well as a contingent amount for new s106 schemes which may have arisen in the year if opportunities had progressed in the market during the year.

5. Delivering Our Vision for Housing

5.1. The plans set out in this paper and our drive for continuous service improvement will provide greater opportunity for tenants to shape our activities in our continuing commitment to improve existing homes, supply new homes, invest to make Cheltenham net zero carbon whilst continuing to provide support during the cost-of-living crisis.

5.2. Placing residents at the centre of decision making

5.2.1. We run quarterly phone surveys, targeting to speak to 250 customers each quarter, to find out about service user experiences. These surveys are based on tenant satisfaction measures (TSMs), a standard set of questions, set out by the Regulator for Social Housing. Following these surveys, we contact every customer who is unhappy so we can understand more about 'why' and take action to make things better. This real time feedback shows us where to improve, forms part of our planning for service changes and ensures customer feedback is at the heart of our decision making.

5.2.2. The budget has been set so that the Council is able to maintain high levels of performance and satisfaction in core landlord services including repairs, anti-social behaviour management (ASB), tenancy management, rent arrears management, lettings and resident involvement. The most recent full year benchmarking analysis for these areas shows performance and satisfaction being maintained at quartile 1 (75% of 28 measures) and quartile 2 levels compared to peers.

5.2.3. Two key areas of focus for the sector and where there has been customer led change in our housing service provision during 23/24 relates to complaints and DMC (damp, mould, condensation). Additional resource and revised processes have been put in place to enable us to act more proactively in these areas. This additional capacity includes a dedicated complaints officer and 2 additional operatives in the DMC team.

5.2.4. Both of these areas have also benefitted from deep dives into our data and new ways of reporting on this data to allow service teams to be more responsive to our customers. Further work on data insight is being progressed in 23/24 and 24/25 in a number of areas including in repairs and planned maintenance to support improvements in processes in these areas.

5.2.5. As part of growing other channels for meaningful tenant engagement new members have been recruited to the Tenant Scrutiny and Improvement Panel with recent training delivered by TPAS on how to conduct effective scrutiny. TSIP have most recently completed a review on waste management and cleanliness of communal spaces with the next review in the new year focusing on our approach to tackling damp and mould.

5.3. Delivering High Quality New Homes

5.3.1. The Council is committed to building low carbon homes on land led schemes controlled by the Council and maximising the energy efficiency of homes on developer led schemes through negotiation and improvements to specification during the build period. An example

of this during 23/24 will be completing the acquisition of 9 new zero carbon homes through a section 106 deal. These homes include highly efficient air source heat pumps, solar panels providing renewable energy and high levels of insulation; showcasing a great example of what can be achieved for future building programmes.

5.3.2. The Council continues to successfully deliver new affordable homes through its £180m housing investment programme. During 23/24 the forecast spend of £10m will deliver 9 zero carbon homes at Kidnappers Lane site, 5 homes on Shurdington Road, 21 homes under the Government's Local Authority Housing Fund (LAHF) for refugees from Ukraine and Afghanistan and an estimated 16 further individual property acquisitions.

5.3.3. As part of this housing investment programme the Council will have spent approximately £52m (205 completed homes) by the end of 23/24 and is allocating £10.6m for 24/25 and projecting further investment of £71m over the following 3 years. During 23/24 the Council has been successful in bidding for 70 new homes under a s106 agreement for a development in the northwest of Cheltenham.

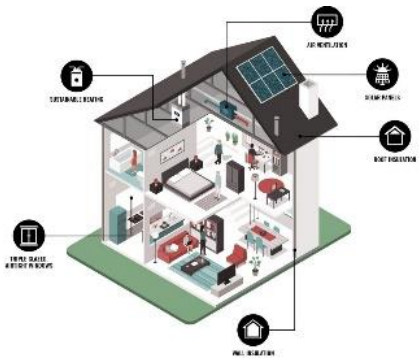
5.3.4. The capital programme in appendix 4 targets the delivery of 390 additional homes over the next 4 years including 110 from s106 schemes, 94 from land led schemes, 100 acquisitions and 86 from the Golden Valley Development. These homes will be for a mix of tenures but with the majority being for social rent in order to maximise the affordability for residents in Cheltenham.

5.3.5. The Council continues to actively pursue new business opportunities with a range of developers and agents with the current pipeline including 690 additional homes over 7 years with 57% of these being for social rent. New business opportunities are monitored to ensure we are well placed to secure the affordable homes on the key sites that align with our collective ambitions to provide high quality, sustainable affordable homes.

5.3.6. These development opportunities not only provide much needed homes for Cheltenham but also are the largest new source of income for the HRA: in the short term in the form of Homes England capital grants and shared ownership receipts and in the long term in the form of new net rental income which will add to the financial strength of the HRA. In the 24/25 budget alone new homes account for £330k of the increase in rental income.

5.4. Reinvesting in Existing Homes and Neighbourhoods

5.4.1. The Council is actively improving existing homes to support the 2030 net zero carbon target, as well as reducing the burden of fuel poverty for residents. Over the last few years the Council has already installed solar PV to 800 homes, delivered a borough wide window and door replacement programme, fitted low energy LED lighting to 290 blocks, upgraded wall, roof and loft insulation all of which has improved the average EPC rating for all existing homes.



5.4.2. Looking forward the Council's strategy includes improving the building fabric, installing low carbon heating systems, generating energy on site through solar PV and then further reducing energy use through smart technologies.

5.4.3. Three successful bids have already been made under the Government Social Housing Decarbonisation Fund (SHDF): £40k Demonstrator Grant for fabric improvements to two

pilot homes, £800k Wave 1 grant for fabric improvements to 34 homes and installation of ground source heat pumps (GSHP) to a 25 unit sheltered scheme, and £2.2m Wave 2.1 grant funding for a further 175 homes due for completion in 24/25.

5.4.4. The budget proposals for 24/25 include £3.3m of capital spend for retrofit energy improvements with approximately 30% of this funded by central government grant. The four-year capital programme set out in appendix 4 includes a further £11.1m of investment in sustainability measures for an estimated 430 further homes to be improved.

5.4.5. This investment in existing homes comes at a significant cost to the HRA and is part of a programme ensuring all HRA homes meet at least an EPC C energy performance rating by 2030. In addition to tenants saving on their energy consumption, they will also benefit from improved comfort levels in their home, which in turn will improve their overall health and wellbeing.

5.4.6. The Council is also committed to providing homes which are safe, secure and good quality places to live for our customers. The effectiveness of this commitment is reflected in quartile 1 customer satisfaction ratings, when compared to peer organisations, for the repairs service, time taken to complete repairs and satisfaction that homes are well maintained. The average energy efficiency rating (SAP rating) of Council homes is also quartile 1 compared to peers.

5.4.7. The HRA's asset management plan (AMP) has been updated for the period 2023-2028 and is presented in appendix 5 for approval. Our ambition is for effective management of customers' homes so they continue to be more than bricks and mortar, providing security, supporting health and wellbeing, and contributing to thriving communities. To achieve this the AMP incorporates five key priorities: knowing our assets, supporting the climate emergency, ensuring safe homes, quality of home and our repairs service, with cross cutting themes of modernisation, governance and embracing technology to enhance person centred, efficient and accessible services.

5.4.8. The capital budget proposed for 24/25 includes £16.3m for property improvements and major works. This is an increase of £4m on the budget for 23/24 and includes external and internal investment programmes to help bridge the quality gap between existing and new homes. These programmes of work include statutory compliance requirements, energy performance measures and other improvements in the quality of homes in ways that assist customers and contribute to their quality of life.

5.4.9. A key investment programme commencing in 24/25 is a five-year kitchen renewal programme which will see the replacement of all kitchens originally installed under the Government's Decent Homes Programme. The target is for over 500 renewals in 2024/25 and then averaging 1000 per year in the subsequent three years. To support the successful execution of this programme the proposal is to appoint two contractors which will reduce the risk of insufficient contractor resource or needing to extend the timescale beyond 5 years.

5.4.10. In order to deliver this proposed capital budget additional internal resource is required, both in technical and administrative roles. Whilst these 5 new roles will increase the capital management element of the budget the management cost as a percentage of major works spend will be maintained at 8%.

5.5. Ensuring Shared Prosperity

5.5.1. The struggles associated with financial hardship are evident amongst our communities and therefore we strive to contact all customers pro-actively to understand their circumstances and actively promote our Benefit and Money Advice Service and Training & Employment Service. Referrals are also made to partner organisations such as Citizens Advice and promoting assistance programmes such as CBH's Help2 scheme, energy cost grants, food banks and Job Centre Plus drop-in sessions.

5.5.2. This approach has enabled the team to minimise the number of tenants in arrears and carefully control the total cost of arrears on the HRA. In comparison to peers rent arrears, evictions, void loss, support with money advice and employment opportunities reflects quartile 1 and 2 performance.

5.5.3. During the first six months of the financial year the Benefit and Money Advice Team, which provides dedicated, specialist advice and support, including for energy bills, secured £1.1m of additional income for tenants which is significantly ahead of the target of £0.75m. Current rent arrears are only 2.44% of rental income and there have been no evictions for rent arrears.

5.5.4. The Training and Employment Service (TES) is a nationally accredited training team focusing on digital inclusion, numeracy, job clubs, skills hubs and support for young people at risk of exclusion from schools under the Thrive programme. During the first 6 months of 23/24 the team delivered 98 sessions across different programmes, supported 95 individuals into further training and 36 into employment. The Thrive programme is being run at Pittville School in the current year and in 2 further schools in 24/25.

5.5.5. The CBH community investment team has delivered support across the town within the themes of young people, health and wellbeing, digital and innovation, successful ageing and tenant engagement. Through partnership working the team secured £85k from the County Levelling Up Together fund to deliver a new skills hub in Hester's Way, to add to their successful work through the Moors Kids Club, Inclusion Hub, and Men's Group. The team have developed an intensive partnership approach in St Pauls, reinvigorating the St Pauls hub and engaging the community to create sustainable change in the area.

5.5.6. Other community projects, activities and funding include:

- a large number of successful community events during school holidays and the holiday activity and food programme
- a hub-based service focusing on wellbeing to support older people to access services and social opportunities close to home, supporting independent living and reducing social isolation
- a Housing First pathway to permanently house rough sleepers in tenancies with support
- projects to combat Anti-Social Behaviour
- outcomes for families and young people impacted by Adverse Childhood Experiences
- support for Cheltenham's Heads up campaign to raise awareness of mental health and positive lifestyle choices
- support for Cheltenham' Inspiring Families programme, working with partners to provide community based family support

5.5.7. Funding for these services has been protected within the 2024/25 budget recognising this

challenging period for our tenants to support communities to thrive and help improve outcomes for young people and reduce inequality.

5.6. Delivering Value-for-Money

5.6.1. Demonstrating excellent customer services at the right cost is crucial and ensures that the Council is delivering value for money (VFM). Performance, satisfaction and costs are benchmarked against other housing providers in the sector with a target of first and second quartile performance and satisfaction whilst targeting costs at a median sector level. The most recent results show performance, satisfaction and costs are within quartiles 1 and 2 apart from premises cost and housing management cost which are quartile 3.

5.6.2. The recent decision to transition housing services back to the Council from CBH will enable there to be savings in these cost areas without reducing front line services. The transition will also enable the Council to respond to the new regulatory regime which has been enacted through the Social Housing (Regulation) Act (2023) and revised Consumer Standards ensuring there is direct line of sight for the Cabinet on housing services.

5.6.3. The delivery of the Council's corporate priorities is more important than ever, and a single organisation of larger scale will also be better placed to deliver our priorities, leverage opportunities and achieve greater social value. We will continue to look for ways of making services more cost efficient and opportunities for additional income to increase the capacity of the HRA for investment and maintain long term financial viability.

6. 2024/25 HRA Budget Proposals (Appendix 2)

6.1.1. The budget proposals for the HRA Operating Account are set out in Appendix 2. The budget is set in comparison with the revised forecast for 23/24 and the original budget for 23/24.

6.1.2. This shows an increased net operating surplus compared to the 23/24 budget due to the rent increase for 24/25 and the new homes supplied during the year. The net operating surplus is projected to increase in future years as further new homes are added to the HRA housing stock as part of the £180m Housing Investment Plan.

6.1.3. All rents are proposed to increase in line with the Government's Rent Policy of 7.7% in April 2024 following the announcement of the CPI for September 2023 at 6.7%. Shared Ownership homes rent, which is governed under separate shared ownership leases, could be increased by RPI + 0.5% however it is proposed that the increase is limited to 7.7% for 24/25 for the HRA's 8 Shared Ownership homes as the Council believes it is appropriate to maintain a fair and equal rental increase across all HRA homes for 24/25.

6.1.4. Last year there was significant inflationary pressure on service costs and associated charges for tenants and leaseholders. For 24/25 service charges for grounds maintenance work undertaken by Ubico will increase by 9% and cleaning charges for the communal areas in blocks of flats will be 5.6%.

6.1.5. As a result of fixing electricity charges for 2 years it will be possible to reduce communal electricity charges by 15% overall with communal heating charges reducing by 40% due to the fall in gas prices and fixing prices for 24/25.

6.1.6. Garage rents for tenants are proposed to be increased by 7.7% from April 2024 in line with the proposed increase in housing rents with a 10.7% proposed increase for privately rented garages.

6.1.7. Expenditure budgets reflect:

- An estimated pay award in 2024/25 of 5% and inflation on the majority of non-staff costs of 5% other than repairs and maintenance where subcontractor costs are expected to increase by 6%.
- An increase in the ALMO management fee of 6% which reflects provision for the higher than budgeted pay award in 23/24 and an adjustment for slightly higher pension contributions than originally budgeted.
- Repairs and maintenance costs include additional resource for electrical safety and DMC works as noted in 5.2.3 above.
- Shared service cost increases at 5% per annum.
- Interest payable on temporary borrowing at 5.3% for 24/25 as well as additional borrowing to fund the HRA capital programme. This is the expenditure line showing the most significant increase year on year.

6.1.8. Significant changes to the HRA operating account (greater than £50,000) in 2024/25 as compared to the revised forecast for 2023/24 are itemised in the table below.

Budget Heading	Additional Cost (-) / Income (+) £
General and Special Management – reduction due to changes in energy costs and lower corporate recharges	93,300
ALMO Management Fee – increase arising primarily from anticipated pay award and non-staff cost inflation; no adjustments have been made at this time for the agreed transition of housing services from CBH to CBC	(384,500)
Repairs & Maintenance – in addition to the pay award and materials and subcontractor cost inflation this includes new resource for electrical safety processes (£48k) and additional capacity (£63k) for a more proactive strategy to mitigate the effects of DMC (damp, mould, condensation) issues on tenants	(296,100)
Interest Payable- additional borrowing to finance the capital programme	(638,900)
Depreciation of Dwellings – reflects increase in stock numbers and inflation on component costs	(165,500)
Rent Income – rent increase (7.7%) and supply of new homes	2,020,500
Other net variations including provision for rent arrears (lower than £50,000)	(100,900)
Increase in Operating Surplus (compared to 23/24 forecast deficit)	**527,900**

6.2. HRA Capital Programme 2024/25 (appendices 3&4)

6.2.1. The capital programme for 2024/25 continues to show significant investment in both existing homes and the acquisition and development of new homes as noted in section 5.3

and 5.4 above. Total spend is forecast to be £27.6m in 24/25 increasing to £33.8m in 25/26. Details by programme area are given in appendix 4 which has been expanded to 4 years to ensure programmes of work that span more than one year can be approved by Cabinet and Council.

6.2.2. The proposed funding of these programmes is set out at Appendix 3 and includes a combination of borrowing, SHDF grant, Homes England grant, shared ownership sales, capital receipts and leaseholder contributions. The balance of funding sources may vary depending on the timing of grant payments and prevailing interest rates.

7. Funding and Financial Viability

7.1. As noted above the 30-year financial position of the HRA has improved slightly since last year due to the rent increase and inflation falling from its peak in 2022. This improvement has not returned the HRA to the more robust financial position existing in previous years before the excess inflation and rent cap, therefore there may be a need to identify operating efficiencies whilst ensuring we continue to invest in existing and new homes and the customer focused services which are essential for the support of our communities.

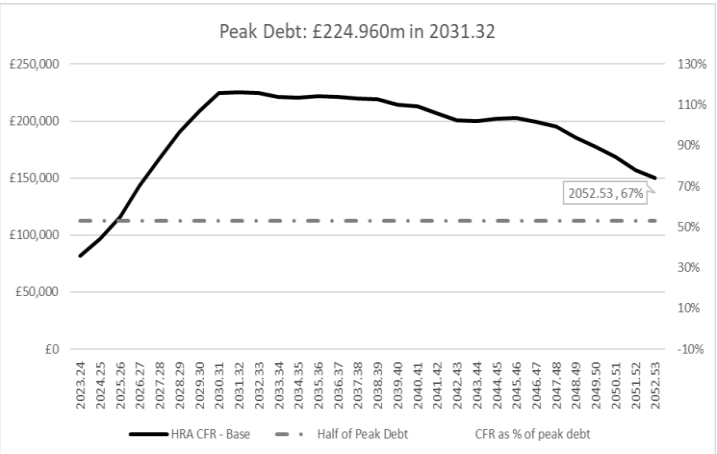
7.2. Long term assumptions, beyond the next three years, include:

- CPI at the Government target rate of 2%
- Rent increases at CPI + 0.5% per annum for 5 years and then CPI thereafter (next review of Government rent policy due in 2024)
- Borrowing rates at 3% per annum over the long term

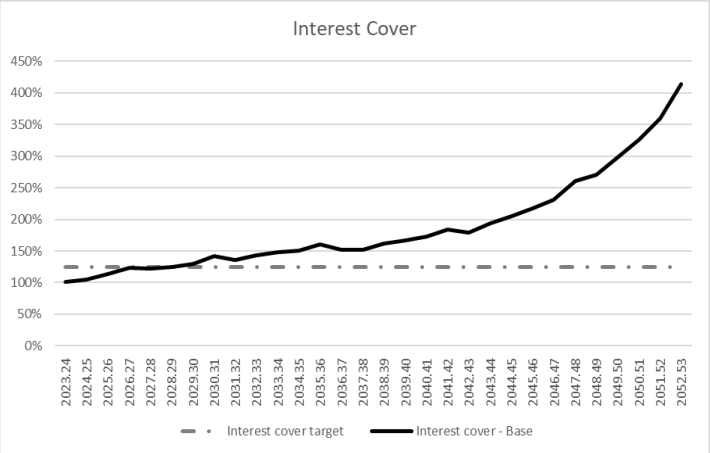
7.3. The following parameters are targeted to ensure financial viability in the longer term:

- the ability to deliver the capital programme on existing homes
- the HRA is able to repay debt over the long term with debt in year 30 (terminal debt) less than half of peak debt
- HRA reserves do not fall below a contingency level
- there is sufficient and growing interest cover

7.4. The current projections show that the second parameter relating to the repayment of debt will be at 67% at the end of the plan period which is an improvement on last year's 71% but above the target position of 50%. It is proposed that this is accepted in order to allow for the continued investment in essential services and new homes as set out in this proposed budget.



7.5. Interest cover has improved compared to last year due to the rent increase and easing of cost inflation. This is modelled to hit the minimum target of 125% in 2026/27 as additional income is generated through new homes being added to the HRA through new build and acquisitions. Careful monitoring is still necessary to ensure that the scale and pace of delivery does not risk long term viability and terminal debt reduces to 50% of peak debt over the medium term.



8. Consultation process

8.1. The 2024/25 budget proposals have been endorsed by the CBH Board. No other comments have been received.

9. Key risks

9.1. There remains a number of areas of uncertainty and risk within the longer-term projections for the HRA including the level and nature of Government funding for the net zero carbon programme for existing homes, timings for delivery of new homes, inflationary and supply pressures, and Government rent and other policy positions. These will continue to be monitored and modelled as further information becomes available.

9.2. A key deliverable of the 5-year business plan is new build and delivering this on time and within viability parameters will strengthen the HRA going forwards.

Report author:

Stafford Cruse, Head of Finance and IT, Cheltenham Borough Homes

stafford.cruse@cbh.org

Appendices:

i. Risk Assessment
ii. HRA Operating Account
iii. Major Repairs Reserve and HRA Capital Programme (summary)
iv. HRA 4-year Capital Programme (detail)
v. HRA Asset Management Plan to 2023-2028

Background information:

1. CBC Corporate Plan
2. HRA 5-year Business Plan
3. HRA 30-year Financial Model

Appendix 1: Risk Assessment

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
1.01	Volatility in the external policy environment including Government Policy may impact the economic operating environment and future funding of the HRA	Paul Jones	5	3	15	Reduce the risk	Policy changes are monitored closely and the impacts understood and mitigated where there is a significant impact on the HRA (such as future rent policy). A 30-year financial plan is maintained, updated and stress tested regularly to ensure the HRA is financially viable over the long term	CBC finance team	Mar 2025
1.02	If material and labour price increases and resource constraints continue in the medium term this may cause further financial restraints and the need for additional savings in the HRA	Paul Jones	4	3	12	Reduce the risk	The current higher than inflation pay rises in the private sector and constraints in the construction sector will continue to be monitored carefully. Long term supply agreements are in place or will be put in place for new programmes through competitive procurement to reduce	CBC finance team	Mar 2025

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
							the risk of labour and material shortages. Sufficient internal resource will be maintained to reduce the impact of subcontractor price volatility. A 30-year financial plan is maintained, updated and stress tested regularly to ensure the HRA is financially viable over the long term. The pace and scale of future investment will be managed carefully to protect existing services and support for tenants.		
1.03	If there are insufficient resources to deliver planned maintenance to existing homes or meet additional compliance requirements, then homes may become non decent or there may be an increase in void loss	Paul Jones	4	3	12	Reduce the risk	Robust stock condition data and compliance data is required to inform future capital spend and compliance requirements. Updated surveys are being procured for 24/25. Procurement best practice is followed	CBH through management agreement	Mar 2025

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
							with continuing contract management. A 30-year financial plan is maintained, updated and stress tested regularly to ensure the HRA is financially viable over the long term		
1.04	If the Net Zero Carbon programme is not carefully planned and delivered and not sufficiently funded by Government, there may be insufficient resources to deliver existing maintenance programmes and services	Paul Jones	4	3	12	Reduce the risk	Resources have been set aside to conduct retrofit activities over the next 4 years in the capital programme. This includes a new term external works contract and the expectation of additional funding bids to central government for the retrofit programme. The target for new build land owned by the HRA is to deliver low carbon homes. Progress in the sector and funding proposals by Government will be carefully monitored. A 30-year financial plan	CBC/CBH through partnership working	Mar 2025

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
							is maintained, updated and stress tested regularly to ensure the HRA is financially viable over the long term		
1.05	If the transfer of the Housing Service from CBH to CBC is not successfully managed or savings opportunities are not successfully delivered there could be an impact on resourcing/capacity to deliver essential services and compliance requirements as well as an adverse impact on the financial resilience of the HRA	Paul Jones	4	3	12	Reduce the risk	Consultation and close working will continue with CBH service teams, a programme manager has been appointed to manage the transition, there is ongoing financial monitoring of budgets and the HRA business plan	Paul Jones	Mar 2025
1.06	If changes in benefits, including changes to UC rates, or the cost-of-living crisis have a greater impact on tenants than anticipated and planned for, it may increase the level of arrears for the HRA and impact on vulnerable families	Paul Jones	3	2	6	Reduce the risk	The HRA budget includes specific resources to control rent arrears and support tenants through transition to Universal Credit and support tenants during the cost-of-living crisis. This has been	CBH through management agreement	Mar 2025

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
							successful in mitigating the impact so far.		
1.07	If void rent loss is higher than estimated, it will impact on assumed rent income in the HRA	Paul Jones	3	2	6	Reduce the risk	Demand for social housing remains high and is increasing, private rents are increasing unaffordable for many, there remains a significant waiting list and short re-let times. Quality of homes needs to be maintained and changes in void levels monitored.	CBH through management agreement	Mar 2025
1.08	If the demand for reactive repairs increases, there may be insufficient budget to meet demand	Paul Jones	3	2	6	Reduce the risk	The planned maintenance programme for existing homes is delivered each year. A 30-year financial plan is maintained, updated and stress tested regularly to ensure the HRA is financially viable over the long term. Major peril to the stock is fire which is	CBH through management agreement	Mar 2025

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
							covered by appropriate insurance.		
1.09	If there are insufficient new supply opportunities (land/acquisitions) or delivery on sites such as new affordable homes from the GVD the ambitious targets for net new supply will not be achieved and the HRA will not be strengthened by generating additional future income	Paul Jones	3	2	6	Reduce the risk	The transition of CBH to CBC will strengthen the combined development team. A 30-year financial plan is maintained, updated and stress tested regularly to ensure the HRA is financially viable over the long term	CBC/CBH via Strategic Housing Delivery Group, Council Member Housing Working Group	Mar 2025
1.10	If the capital receipts held from RTB sales under the retention agreement with DLUHC are not used within 5 years of receipt, they are repayable with interest to the Government	Paul Jones	3	1	3	Reduce the risk	The acquisition programme is continuing at a level which is adequate to use receipts before they would be repayable. This position is regularly monitored.	CBC/CBH through partnership working	Mar 2025

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Appendix 2

HRA OPERATING ACCOUNT

	2023/24 Original £	2023/24 Forecast £	2024/25 Estimate £	2025/26 Projections £	2026/27 Projections £
EXPENDITURE					
General & Special Management	3,429,200	3,676,400	3,583,100	3,640,300	3,729,300
Housing Management Fee	5,958,500	5,933,500	6,318,000	6,476,000	6,605,500
Rents, Rates, Taxes and Other Charges	130,300	134,800	138,300	138,300	138,300
Repairs & Maintenance	5,437,000	5,574,100	5,870,200	5,935,200	5,999,300
Provision for Bad Debts	242,000	200,000	240,000	249,000	261,000
Interest Payable	2,486,800	2,538,100	3,177,000	3,462,600	3,664,600
Depreciation of Dwellings	5,612,900	5,548,600	5,714,100	5,863,400	6,101,800
Depreciation of Other Assets	342,300	304,800	349,400	355,600	361,800
Debt Management Expenses	104,100	104,100	110,500	113,300	115,600
TOTAL	**23,743,100**	**24,014,400**	**25,500,600**	**26,233,700**	**26,977,200**
INCOME					
Dwelling Rents	21,992,700	21,938,800	23,959,300	24,895,400	26,112,800
Non Dwelling Rents	229,900	248,100	261,800	269,900	277,100
Charges for Services and Facilities	1,324,700	1,293,300	1,251,100	1,291,300	1,326,400
Feed in Tariff from PV Installations	287,100	287,100	309,200	320,000	329,600
TOTAL	**23,834,400**	**23,767,300**	**25,781,400**	**26,776,600**	**28,045,900**
NET INCOME FROM SERVICES	91,300	-247,100	280,800	542,900	1,068,700
Interest Receivable	52,500	75,000	75,000	60,000	45,000
NET OPERATING SURPLUS	143,800	-172,100	355,800	602,900	1,113,700
Appropriations					
Revenue Contributions to Capital	-143,800	-	-183,700	-602,900	-1,113,700
Net Increase/(Decrease) in reserves	-	-172,100	172,100	-	-
Revenue Reserve brought forward	1,500,000	1,500,000	1,327,900	1,500,000	1,500,000
Revenue Reserve carried forward	1,500,000	1,327,900	1,500,000	1,500,000	1,500,000

Average Social Rent:-				
Increase 1st April		**7.70%**	**3.00%**	**2.50%**
48 wk	**99.75**	**107.43**	**110.65**	**113.42**
52 wk	**92.07**	**99.16**	**102.14**	**104.69**
Average stock	**4,355**	**4,331**	**4,347**	**4,400**

Average Affordable Rent:-				
Increase 1st April		**7.70%**	**3.00%**	**2.50%**
48 wk	**160.59**	**172.95**	**178.14**	**182.60**
52 wk	**148.24**	**159.65**	**164.44**	**168.55**
Average stock	**170**	**206**	**231**	**256**

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Appendix 3

MAJOR REPAIRS RESERVE

	2023/24 Original £	2023/24 Forecast £	2024/25 Estimate £	2025/26 Projections £	2026/27 Projections £
Balance brought forward	-	-	-	-	-
Depreciation of Dwellings	5,612,900	5,548,600	5,714,100	5,863,400	6,101,800
Depreciation of Other Assets	342,300	304,800	349,400	355,600	361,800
	5,955,200	5,853,400	6,063,500	6,219,000	6,463,600
Utilised to fund Capital Programme	-5,955,200	-5,853,400	-6,063,500	-6,219,000	-6,463,600
Balance carried forward	-	-	-	-	-

HRA CAPITAL PROGRAMME

	2023/24 Original £	2023/24 Forecast £	2024/25 Estimate £	2025/26 Projections £	2026/27 Projections £
EXPENDITURE					
EXISTING STOCK					
Property Improvements & Major Repairs	12,156,000	10,270,500	16,349,000	14,708,000	15,285,000
Adaptations for the Disabled	600,000	600,000	600,000	600,000	600,000
Other inc repurchase of S/O Dwellings	60,000	60,000	60,000	60,000	60,000
	12,816,000	10,930,500	17,009,000	15,368,000	15,945,000
NEW BUILD & ACQUISITIONS	22,000,000	10,309,500	10,585,000	18,408,000	30,318,000
TOTAL	34,816,000	21,240,000	27,594,000	33,776,000	46,263,000
FINANCING					
Capital Receipts	1,511,000	1,635,600	1,934,000	1,934,000	1,932,400
HRA Revenue Contribution	143,800	-	183,700	602,900	1,113,700
Leaseholder Recharges	300,000	300,000	300,000	300,000	300,000
Major Repairs Reserve	5,955,200	5,853,400	6,063,500	6,219,000	6,463,600
Grants & Shared Ownership Sales	9,582,100	3,439,800	2,068,800	6,809,000	6,596,500
Borrowing	17,323,900	10,011,200	17,044,000	17,911,100	29,856,800
TOTAL	34,816,000	21,240,000	27,594,000	33,776,000	46,263,000

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PROPERTY IMPROVEMENT & MAJOR WORKS						
Programmes of Work	**Description of Works**	**2023/24 Forecast**	**2024/25 Estimate**	**2025/26 Projection**	**2026/27 Projection**	**2027/28 Projection**
EXTERNAL IMPROVEMENTS	External improvements to the external fabric of existing homes including roofs, chimneys, rainwater goods, facias, repointing of walls	1,932,000	1,603,000	1,598,000	1,789,000	1,816,000
INTERNAL IMPROVEMENTS	Internal improvements to existing homes including replacing kitchens, bathrooms, showers, rewires, consumer units	550,000	4,409,000	4,519,000	4,691,000	4,828,000
PATHS, FENCES & WALLS	Renewal of fences, ramps, paths and boundary walls	335,200	332,000	335,000	322,000	314,000
NEIGHBOURHOOD WORKS	Improvements to external communal areas including sheds, outbuildings, that generate higher amenity value	600,800	600,000	82,000	84,000	87,000
ENERGY EFFICIENCY & OTHER SUSTAINABILITY MEASURES	Improving the energy efficiency of the existing housing stock to meet the targets for 2030 - measures include the installation of top up loft insulation, cavity wall insulation, external wall insulation, and new heating systems such as ground source and air source heat pumps	1,395,400	3,330,000	3,640,000	3,749,000	3,679,000
RENEWAL OF HEATING SYSTEMS	Replacement energy efficient boilers and full central heating systems, plus high efficiency programmable electrical heating as required in existing homes	683,000	329,000	329,000	280,000	234,000
MAJOR REFURBISHMENTS TO VOID PROPERTIES	Renovating existing homes that become vacant prior to reletting and which require significant works, such as new kitchen, bathroom, plastering	1,319,800	1,470,000	1,298,000	1,229,000	1,264,000
WINDOWS & DOORS	Replacement PVCu windows and composite or timber entrance and communal doors; fire doors installed where required	572,400	250,000	22,000	631,000	856,000
ASBESTOS	Removal of asbestos from existing homes as required to facilitate internal and external improvement works under other programmes	304,000	400,000	416,000	428,000	441,000
SHELTERED ACCOMMODATION	Improvements to communal areas in existing sheltered schemes including renewing furniture, fixtures and fittings and other equipment	19,100	160,000	109,000	-	-
DOOR ENTRY SCHEMES	Renewal of door entry systems on sheltered and general needs blocks	54,100	134,000	-	-	-
STRUCTURAL WORKS & SURVEYS	Structural works to reinstate the structural integrity of buildings typically those subjected to cracking through ground movement or existing structural defects and provision for stock condition surveys	44,000	775,000	308,000	156,000	163,000
COMMUNAL WORKS	Renewal of services serving communal areas such as wiring, lighting, fire detection, flooring, CCTV	202,200	243,000	26,000	154,000	43,000
FIRE PROTECTION	Improvements to communal areas and existing homes identified through fire risk assessments to ensure the Council adheres to regulatory requirements	203,900	161,000	167,000	172,000	177,000
LIFTS	Replacement of passenger lifts and installation of new chair lifts as required	139,100	231,000	11,000	281,000	568,000
NON TRADITIONAL HOMES (CORNISH UNIT PROPERTIES)	Renovation of thirty Cornish, non traditional build, type properties and further energy efficiency measures	794,500	180,000	562,000	-	-
GARAGE IMPROVEMENTS	Upkeep of the existing garage blocks	28,000	30,000	31,000	32,000	33,000
WARDEN CALL UPGRADE	Renewal of the existing analogue warden system with a new digital compatible system	165,000	510,000	-	-	-
FEE FOR MANAGING PROGRAMME	Management fee for CBH to manage the above programmes of work	928,000	1,202,000	1,250,000	1,287,000	1,326,000
TOTAL BUDGET FOR EXISTING PROPERTIES		10,270,500	16,349,000	14,708,000	15,285,000	15,829,000

NEW BUILD & ACQUISITIONS						
		2023/24 Forecast	**2024/25 Estimate**	**2025/26 Projection**	**2026/27 Projection**	**2027/28 Projection**
NEW BUILD (APPROVED)						
320 SWINDON ROAD	Land led scheme for 24 net zero homes on Council land	50,000	1,650,000	3,540,000	1,918,000	-
MONKSCROFT SCHOOL	Land led scheme for 70 net zero homes on Council land	203,000	730,000	6,178,000	12,545,000	-
S106 PURCHASES	Developer led schemes for the acquisition of completed homes under a mix of tenures under section 106 agreements	2,287,100	3,350,000	3,885,000	2,712,000	2,685,000
MARKET PURCHASE	Acquisition of individual properties from the local market to support the wider strategies within the HRA business plan	2,390,000	4,125,000	4,125,000	4,125,000	4,125,000
MARKET PURCHASE (LAHF)	Acquisition of 21 homes from the private market to support refugee familes from Ukraine and Afghanistan	5,179,400	-	-	-	-
OTHER SCHEMES	Provision for new land led schemes and s106 schemes not currently in contract - includes provision for affordable homes from the Golden Valley Development	200,000	730,000	680,000	9,018,000	15,584,000
TOTAL BUDGET FOR NEW BUILD & ACQUISITIONS		10,309,500	10,585,000	18,408,000	30,318,000	22,394,000

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Cheltenham Borough Homes

HRA Asset Management Plan 2023–2028

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Introduction

This Asset Management Plan sets out the principles and framework for decisions to make best use of Cheltenham Borough Council's (CBC) housing assets for the next five years; it supersedes the CBH Asset Management Strategy 2018-2023.

The homes Cheltenham Borough Homes (CBH) manages are of high capital value and are revenue generating assets, but also our greatest financial liability in terms of the cost to repair, maintain and improve. Our ambition is for effective management of our customers' homes, for them to be more than bricks and mortar, providing security, supporting health and wellbeing, and contributing to thriving communities.

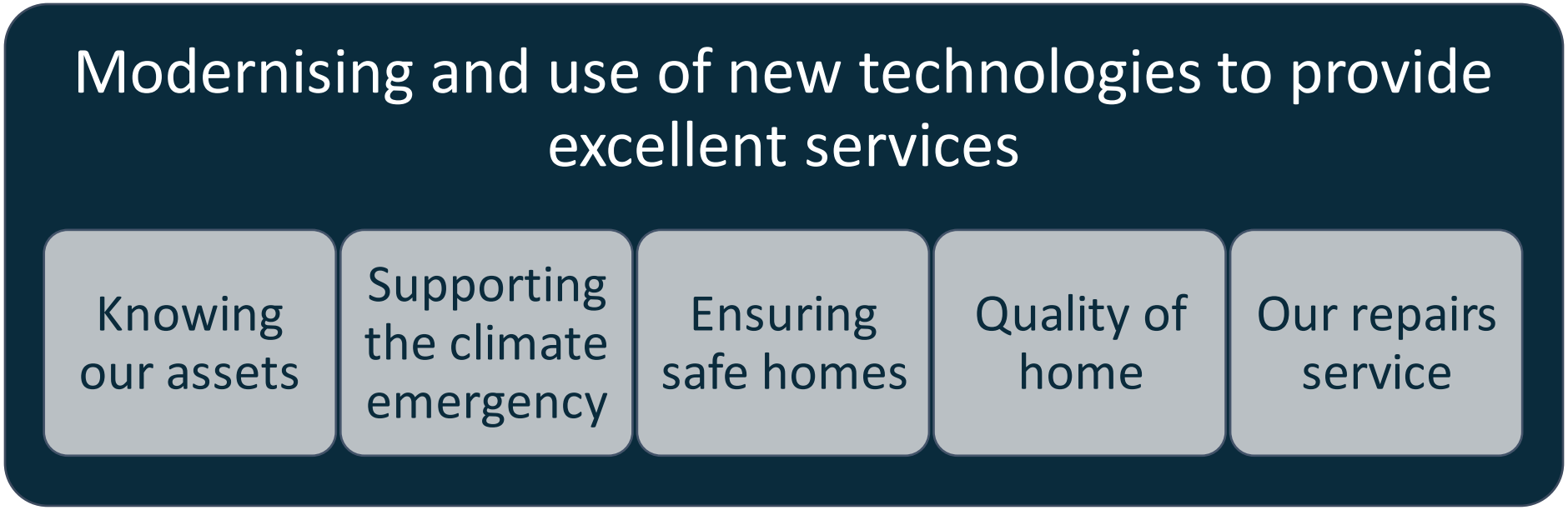
The environment in which we operate is fast changing due to the focus on customer safety, with a new legislative framework, the need to meet the challenges of climate change, with a target for Cheltenham to become Net Carbon Zero by 2030, the Social Housing White Paper - The Charter for Social Housing Residents and the focus on quality of homes and issues associated with damp, mould, and condensation. This is against a backdrop of global instability, construction sector skills shortages, high energy costs and the demand for materials exceeding supply, all contributing to significant increases in cost, whilst rent increases are capped below inflation. It is therefore essential that investment in homes is at a viable scale and pace to ensure financial viability and an appropriate balance between meeting regulatory and statutory compliance, customer expectations and our aspirations.

A key part of developing this Asset Management Plan is ensuring the aims and outcomes contribute to and support:

- The CBC Corporate Plan 2023-2027
    - Key Priority 2 – Working with residents, communities and businesses to help make Cheltenham #NetZero by 2030
    - Key Priority 3 - Increasing the number of affordable homes with a fabric first approach to improve energy efficiency of council owned homes
    - Key Priority 5 – Being a more modern, efficient and financially sustainable council
- CBC Asset Management Strategy 2022/23 – 2026/27
    - Corporate priority 3 – for the Council and Borough to be #NetZero by 2030
    - Corporate priority 4 – Increasing the supply of housing and building resilient communities

- CBC Climate Emergency Action Plan Pathway to #NetZero, 2022
- Cheltenham Climate Change SPD, 2022
- CBC Housing Investment Plan 2018
- CBC Housing, Homelessness and Rough Sleepers Strategy 2023-2028
- HRA Business Plan 2023 – 2028 with the long-term strategic vision 'Build a better future for Cheltenham by providing:
    - More affordable and sustainable homes
    - Stronger and more resilient communities
    - Change to realise opportunities

This Plan incorporates five key priorities for the maintenance and improvement of homes over the term of the plan: knowing our assets, supporting the climate emergency, ensuring safe homes, quality of home and our repairs service, with cross cutting themes of modernisation, governance and embracing technology to enhance person centred, efficient and accessible services.



TOUGHBUILT
C550 SAW
JOBSITE TABLE

Key priority A - Knowing our assets

Our stock condition survey provides key information critical to the assessment of asset viability and decision making in relation to investment programmes. The existing condition data provides key information to support Regulatory returns, understanding of repair need, health and safety issues and is used to plan future repairs and improvements. Following the impact of the Covid-19 pandemic and forthcoming changes to the decent homes standard, a programme of stock condition surveys will be procured to ensure our data is fit for purpose. This information will be maintained with a rolling programme of surveys in place.

We have undertaken an asset performance evaluation (Appendix 1) by calculating the net present value (NPV) to understand the financial performance of all managed homes. This informs and supports investment decisions with the intention that properties should contribute positively. We will develop the intelligence of the NPV model further to include nuances such as listed building status and energy performance to further improve the understanding of dwelling performance and viability. We will refresh the asset performance evaluation to reflect current rent and planned maintenance cost data and if necessary, using revised values and assumptions for the other variables used in the NPV formula.

Option appraisals will be prepared for any property with a negative NPV, to support the decision to retain and maintain, improve, convert, regenerate, redevelop or dispose. It is expected to take around two years to carry out this exercise and should significant investment be proposed for any of these properties in the meantime the option appraisal will be prioritised to be undertaken before an investment decision is made.

In 2018 a review was undertaken of our independent living accommodation, this identified that it is a good standard, residents are satisfied and there is high demand. Some accommodation was dated, with some being bedsits. A decision was made to modernise the communal areas and a project to deliver this work is underway, with works at three schemes completed and a further two to be delivered in 2023/24. With large scale remodelling not currently viable a watching brief is being maintained to ensure all schemes remain fit for purpose.

Reliable and accessible data enables the best decisions and is vital strategically and operationally. Quality data enables accountability, strategic financial planning, less waste and duplication, and lowers risk. Data will become increasingly important as we deliver retrofit programmes and building safety regimes to demonstrate compliance. We will make improvements to the quality of our data, taking advantage of the opportunities QL, our housing management system offers.

We will:

- ✓ Procure external expertise to deliver stock condition surveys, undertaking a review of the current status of data to inform an appropriate forward inspection programme
- ✓ Deliver a rolling programme of stock condition surveys with the aim that every property will be inspected at least every five years
- ✓ Undertake a review of data quality and cost assumptions to provide assurance on investment decisions
- ✓ Undertake further energy performance surveys to improve the knowledge of the energy performance of our homes
- ✓ Undertake option appraisals of any property confirmed as having a negative NPV and put in place plans to retain and maintain, improve, convert, regenerate, redevelop or dispose
- ✓ Model the NPV results together with listed building status to further improve the understanding of dwelling performance/viability, refreshing the NPV assessment
- ✓ Appraise monitoring devices recently installed in homes and explore emerging technologies for monitoring and improving asset data, to inform investment decisions, performance reporting and service delivery to customers
- ✓ Continue development of the property dashboard to provide strategic oversight of property compliance status and performance

Key priority B – Supporting the climate emergency

CBC declared a climate emergency in 2019 and subsequently set a challenging target for Cheltenham to become #NetZero by 2030. The government target is for all social homes to be EPC C by 2030 and #NetZero by 2050 with grant funding aimed only at facilitating the lower government targets.

As of March 2023, the average energy rating of the housing stock was 73.3 (EPC C) with 917 homes (20%) EPC D or below (Appendix 2).

With the existing homes accounting for over 90% of CBH carbon emissions, they provide the greatest opportunity for carbon reduction. In 2021 we developed a Carbon Reduction Plan having undertaken a high-level review of the energy performance of the housing stock, potential improvements to reduce carbon emissions and identified a number of options delivering varying levels of reduction in emissions. This exercise indicated that getting close to net carbon zero would cost in the region of £75m, at 2021 costs. Due to HRA capacity and viability it was proposed that initially the aim should be to attain an average of mid EPC B, with a proposal that this be reviewed regularly, taking into account potential for grant funding opportunities, new technologies, HRA capacity, etc.

The forward carbon reduction programme continues to focus on fabric measures to the worst performing homes to reduce the heat demand, thereby saving on energy use and reducing energy bills for our customers, helping to alleviate fuel poverty and making best use of external funding opportunities. These works will make the homes suitable for green heating systems as these become more viable in the future and technologies develop enabling a move away from fossil fuels.

We have successfully obtained grant funding in all three rounds of the Social Housing Decarbonisation Fund (SHDF) which will deliver significant, mainly fabric based, improvement to 248 homes, whilst also piloting new technologies and green heating solutions. We recognise that the speed of delivery of improvements needs to accelerate and will continue to bid for grant funding where possible to reduce the cost burden on the HRA and deliver the maximum improvement possible within cost constraints. It is hoped that retrofit costs will reduce as the market matures and new technologies become more readily available.

In addition to carbon reduction, it is necessary to take wider action to mitigate the effects of climate change as identified in the CBC Climate Pathway such as increasing biodiversity, reducing waste and reducing the use of water.

We will:

- ✓ Support the ambition to reach #NetZero by exceeding the government EPC C requirement by 2030, utilising the funding currently available
- ✓ Develop the Carbon Reduction Plan through to 2030, to be reviewed annually, continuing the focus on fabric first (insulation) measures to the poorest performing homes and moving to green heating technologies in the later stages, making best use of external funding opportunities
- ✓ Deliver annual programmes for carbon reduction improvements in line with the agreed Carbon Reduction Plan
- ✓ Provide case studies to support CBC in helping others to learn and implement climate change mitigation initiatives
- ✓ Develop effective communications for our customers to increase knowledge and understanding of the climate emergency and to encourage uptake of energy reduction improvement and behavioural change
- ✓ Utilise CBC's Climate Impact Assessment tool in project decision making
- ✓ Report annually on the Carbon Reduction Plan and carbon footprint
- ✓ Continue to bid for grant funding to support the carbon reduction programme where available
- ✓ Provide biodiversity gain through projects that we deliver in line with the CBC Climate Pathway and the Environment Act 2021
- ✓ Manage communal spaces to increase biodiversity and reduce carbon pollution through reduced use of pesticides and weedkillers and increased wildflower areas
- ✓ Consider contractor environmental credentials, such as waste management and recycling, carbon emissions and local employment within procurement exercises with performance review through the contract duration
- ✓ Through the neighbourhood works programme deliver improved waste and recycling areas at schemes to enable customers to be responsible in disposing of waste
- ✓ Decarbonise the Building Services fleet

Key priority C – Ensuring safe homes

The safety of our customers in their homes remains our highest priority. Following the Grenfell tragedy in 2017 there has been a spotlight on safety within construction and the management of homes with new legislation brought in, including the Fire Safety Act 2021, Building Safety Act 2022, Fire Safety Regulations 2022 and the Smoke and the Carbon Monoxide Alarm (Amendment) Regulations 2022. The requirements of this legislation have been incorporated into our compliance regimes and will be further embedded. Further legislative change is anticipated and we will continue to respond to the continually changing environment.

We recognise that working effectively with our customers is essential to delivering good compliance and that robust and varied forms of communication are required. We have delivered a programme to replace all fire doors with new certified fire doors, are moving to a five-year cycle for electrical safety testing and implemented more rigorous Type 3 and 4 fire risk assessments. External consultants have undertaken a 'Compliance Healthcheck' on the 'Big Six' areas of compliance, being gas, electric, fire, asbestos, lifts, and water hygiene, from which we have a roadmap for improvements beyond compliance which is ongoing and expected to be completed over the first year of this Plan.

We have acted quickly for customers in support of the Social Housing Regulator and Housing Ombudsman's zero-tolerance approach towards damp, mould and condensation in homes and will adopt the amendments to the Social Housing Regulation Bill which will introduce 'Awaab's Law' requiring landlords to fix reported health hazards within specified timeframes. This compliance area will continue to be a heightened area of focus with monitoring through our compliance performance framework.

The new tenant satisfaction measures (TSM's), published by the Regulator of Social Housing in September 2022, requires property compliance reporting against regulatory standards. We will respond to these requirements.

We have a dedicated compliance team who ensure adherence to statutory and regulatory requirements. Building on these solid foundations we will respond to legislative change and embed new estate compliance officer roles in our communities to further engage with customers and strengthen compliance management.

We will:

- ✓ Engage with customers on matters of compliance to better understand issues they may encounter and how best to communicate with residents to improve safety in homes
- ✓ Develop a resident engagement plan to regularly communicate important safety information and advice to customers using a variety of media, ensuring that messages are received and understood by all
- ✓ Deliver a programme of beyond compliance improvements in line with the Compliance Healthcheck roadmap with updates on progress regularly reported to Audit and Risk committee
- ✓ Include new TSMs within our compliance reporting KPIs, providing increased performance oversight
- ✓ Develop the team, integrating new community-based compliance roles and increasing the level of compliance
- ✓ Instigate a programme of communal fire door inspections on a quarterly basis
- ✓ Instigate a programme of flat fire door inspections on an annual basis commencing with blocks over 11m in height to meet new regulatory requirements
- ✓ Develop compliance reporting to include oversight of levels of damp, mould and condensation
- ✓ Develop an internal audit programme across the main six areas of compliance
- ✓ Develop an external technical audit programme across the six main areas of compliance

Key priority D – Quality of home

Our aim is to provide great quality homes that meet the needs of our customers and build stronger communities with customer voices at the centre of service development and delivery. CBH regularly collects tenant insight data with 2,000 customers surveyed over the last two years to inform opportunities for future improvement. In the development of this Asset Management Plan focussed consultation events have provided understanding of what improvements tenants would like to their homes and how we can improve the maintenance service we offer and most importantly increase customer satisfaction.

Satisfaction with the 'quality of the home' is currently 84%.

A feedback theme is the condition of homes at the point of letting. We will review the lettings standard to explore how the standard can be improved to enhance our customers experience and support successful tenancies.

Homes are managed to maintain compliance with the national Decent Homes Standard; this Standard is currently under review. Publication of a new Standard was expected in Summer 2022, however this has not been forthcoming. We have a watching brief in relation to this and once known we will assess the impact on the homes we manage and our planned maintenance and improvement programmes. It is expected that any changes to the current Standard will relate to compliance, carbon reduction and improving neighbourhoods and as such are not expected to have significant impact on our existing plans.

The management and rectification of damp, mould and condensation in homes continues to be a priority. We recognise the potential impacts for our customers that such issues can have and will ensure that our planned maintenance and improvement programmes support our customers and maximise opportunities to reduce this risk.

We will:

- ✓ Continue to engage with customers to gain insight on how we maintain and improve their homes and use this to shape our future services
- ✓ Continue the watching brief on new Decent Homes Standard and determine the impact or focus the changes may have on our programmes of work
- ✓ Review the lettings standard to determine viable opportunities for improvement to help support successful tenancies
- ✓ Ensure that our specifications for planned maintenance and improvements consider and include for the opportunities that such works have to mitigate the risk of damp, mould and condensation
- ✓ Through differing communications ensure that our customers understand the Quality of Home offer
- ✓ Deliver a programme of communal area improvements engaging customers to shape designs that will address security, biodiversity, amenity, waste and recycling

Key priority E – Our repairs service

We know from tenant insight that our day-to-day repairs service is of high importance to our customers being the area attracting the most suggestions for improvement.

Our priority is to maintain the quality of homes through a modern repairs service that meets our customers' expectations. The quality of the service provided is measured through tenant satisfaction surveys both at transactional level at the time of the repairs and perception through our quarterly insights' surveys; we also benchmark performance against our peers.

CBH operates its own in-house direct labour organisation (DLO), the trades employed attend to the vast majority of the reactive repair requests received from our customers. Additionally, the service carries out elements of compliance and capital programme delivery. Providing these services via an internal resource enables control and the ability to change, adapt and improve the service to meet customer aspirations.

Our repairs and maintenance transformation project is delivering change to the service across a wide scope to achieve improved efficiency and colleague engagement as well as increased customer satisfaction.

We will:

- ✓ Complete the repairs transformation project, improving efficiency, colleague engagement and customer satisfaction
- ✓ Continue to evolve a proactive and person-centred approach to eradicating damp and mould
- ✓ Utilise modern technologies to improve how we engage with customers to better meet their needs and improve process to generate efficiency
- ✓ Analyse customer feedback and prioritise service improvements accordingly
- ✓ Continue benchmarking to compare quality of service against peer group
- ✓ Achieve high performance at median cost per property levels or better compared with peers

Summary

This Plan sets out our 5-year commitment to our customer's homes with a primary focus on health and safety, climate emergency/energy efficiency and customer service, ensuring customer voice remains central to our service and investment decisions. We will continue to modernise our services and utilise technology to ensure that we provide safe modern and energy efficient homes, promoting health, wellbeing, and sustainability.

Delivering this Plan will support the HRA Business Plan objectives to provide more affordable and sustainable homes, stronger and more resilient communities and enable change to realise opportunities.

Accompanying this Plan (Appendix 3) is a high-level action plan providing an overarching view of the actions required over the five-year period of this Plan. This action plan will be reviewed and updated, and progress reported annually.

Appendices

Appendix 1 - NPV profile

Appendix 2 - Energy performance profile

Appendix 3 - High level action plan

Appendix 1 – NPV profile

The graph below shows the distribution of the cumulative NPV after 30 years.

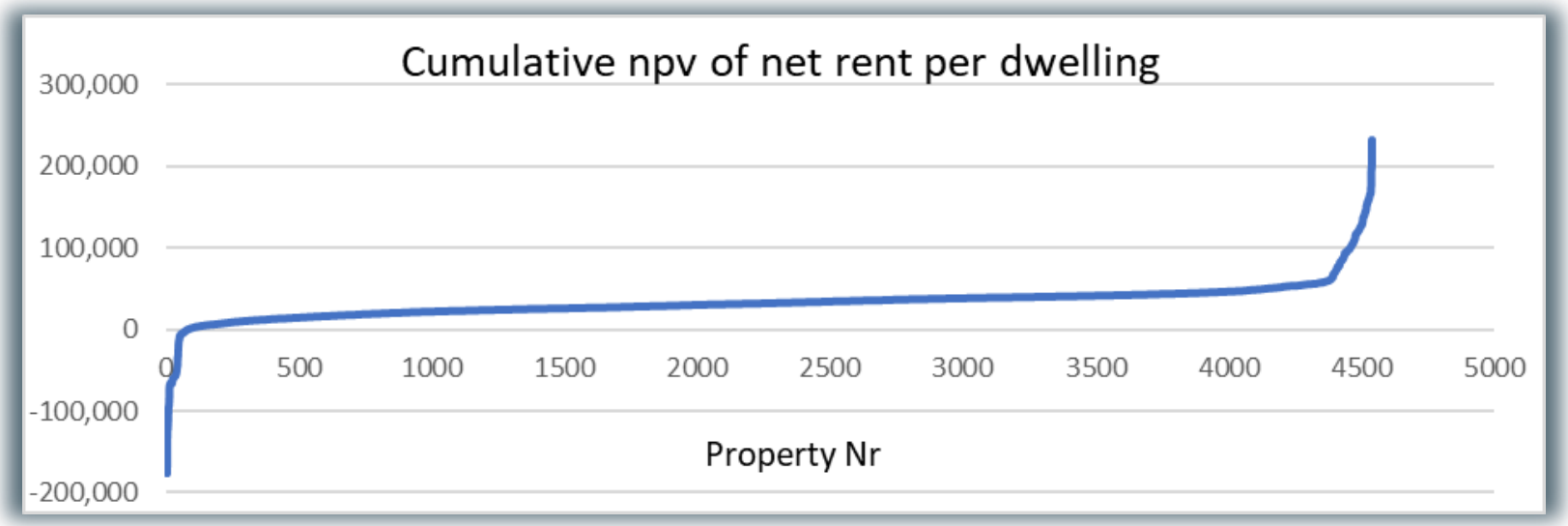


Table 1 shows the NPV by performance band together with the number of properties within each band, together with the short-term action required to better understand the property performance and determine properties requiring option appraisals to be undertaken.

NPV's for Cheltenham Borough Council's housing stock - Calculated May 2023

NPV	Number of dwellings at 30 years	Action
£100k +	79	Maintain
£75k to £100k	32	Maintain
£50 to £75k	264	Maintain
£25 to £50k	2807	Maintain
£0k to £25k	1252	Maintain
£0k to -£25k	35	Data validation/option appraisal
-£25k to -£50k	7	Data validation/option appraisal
-£50k to -£100k	29	Data validation/option appraisal
Total	4505	

Appendix 2 - Energy performance profile

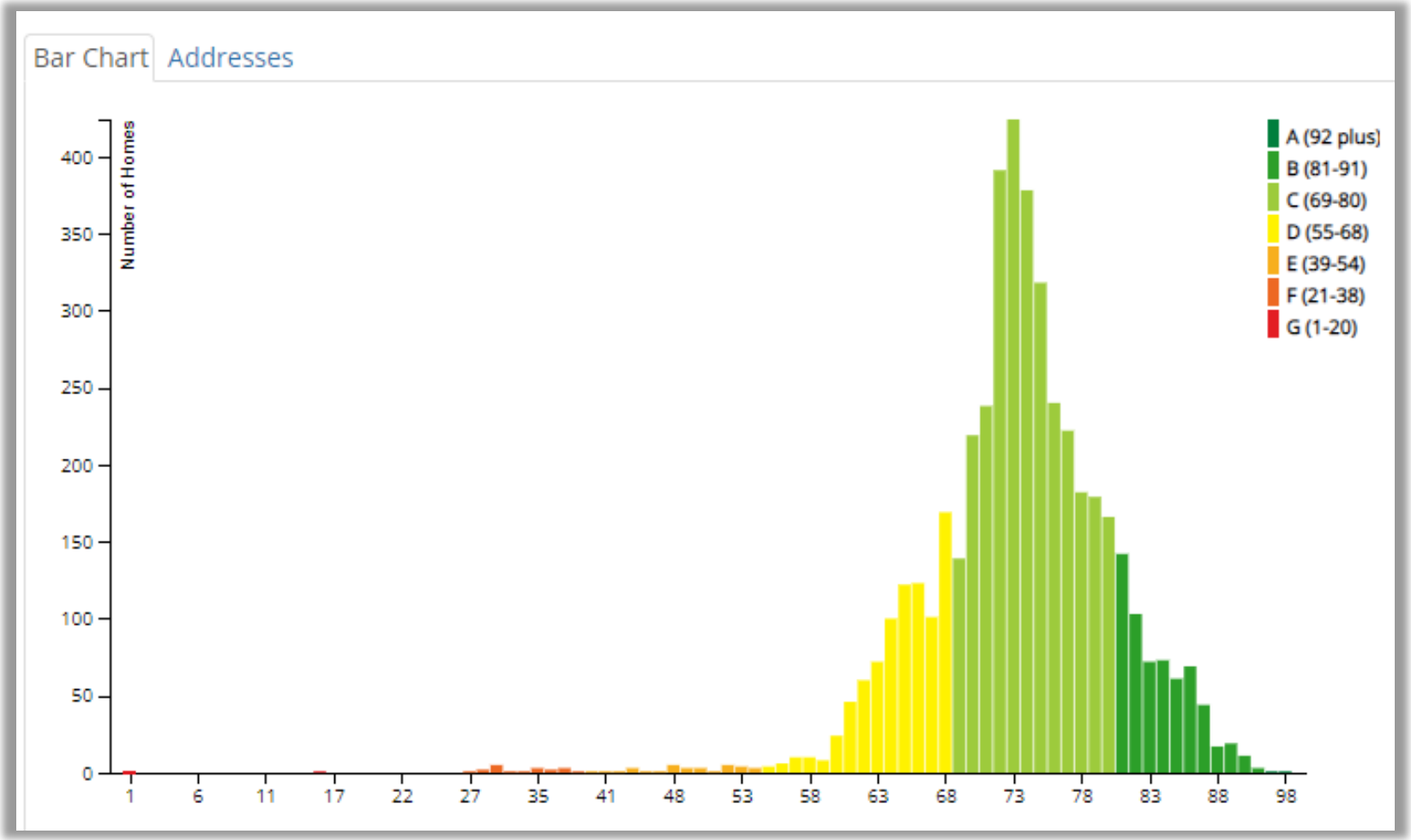


Figure 1 - SAP ratings

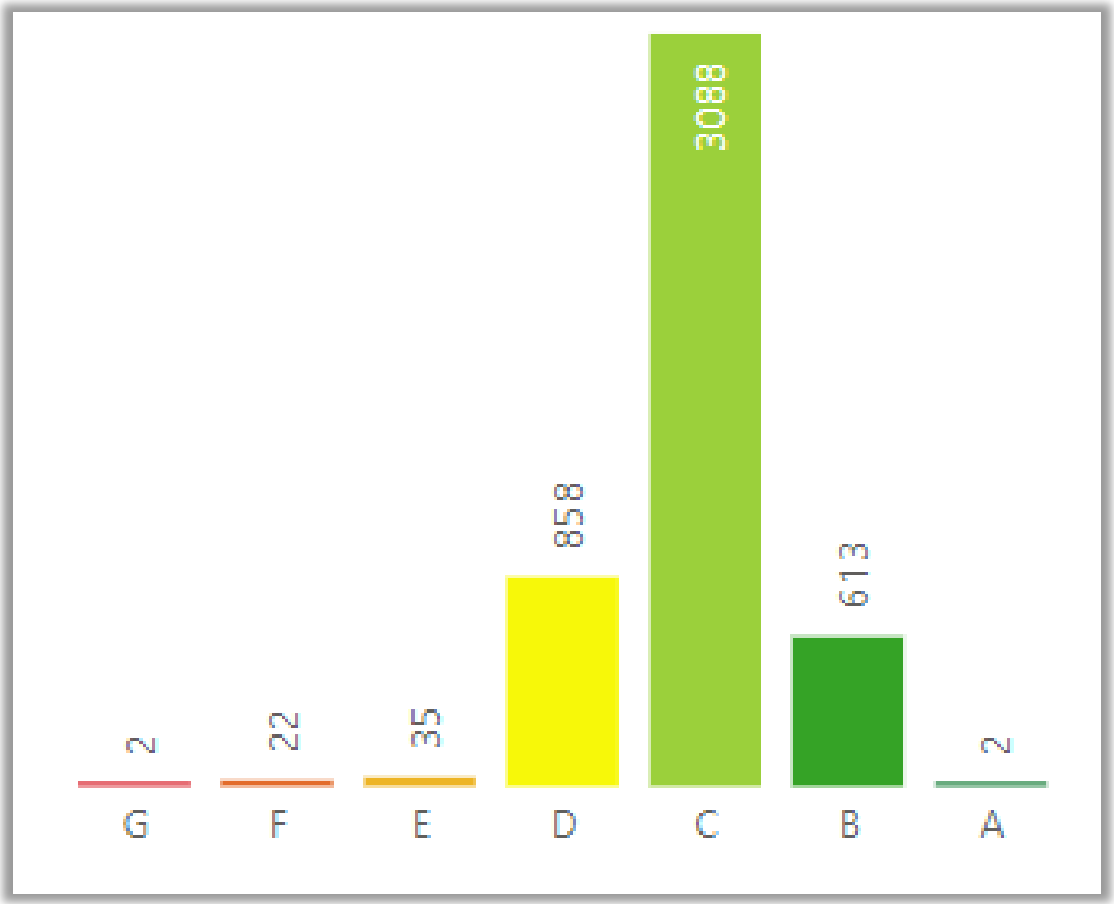


Figure 2 - Number of properties per EPC band

Appendix 3 - Asset Management Plan 2023-2028 action plan

Key Priority A - knowing our Assets	Yr 1 (23/24)	Yr 2 (24/25)	Yr 3 (25/26)	Yr 4 (26/27)	Yr 5 (27/28)
Procure and deliver stock condition survey					
Review stock data and cost assumptions					
Deliver rolling programme of stock condition surveys					
Increase sample of energy performance surveys					
Undertake option appraisal of negatively performing properties					
Develop NPV modelling for listed properties and energy performance					
Undertake appraisal of home environment monitoring					
Continue development of property dashboard					

Key priority B - Supporting the Climate emergency	Yr 1 (23/24)	Yr 2 (24/25)	Yr 3 (25/26)	Yr 4 (26/27)	Yr 5 (27/28)
Exceed government target of EPC C, moving improved properties to EPC B+ where possible					
Develop Carbon Reduction Plan and review annually					
Deliver annual programmes for carbon reduction					
Provide case studies					
Develop communication plan					
Utilise CBC Climate Impact Assessment					
Report on progress towards 2030 target					
Bid for grant funding where available					
Consider and provide biodiversity gain opportunities in investment projects					
Manage communal spaces to increase biodiversity					
Consider contractor environmental credentials within procurement exercises review annually					
Deliver improved waste and recycling areas through the neighbourhood works programme					
Decarbonise the Building Services fleet					

Key Priority C - Ensuring Safe homes	Yr 1 (23/24)	Yr 2 (24/25)	Yr 3 (25/26)	Yr 4 (26/27)	Yr 5 (27/28)
Engage with customers					
Develop resident communications plan					
Deliver Compliance Healthcheck roadmap improvements					
Incorporate TSMs in compliance reporting					
Develop compliance team					
Instigate programme of communal fire door inspections					
Develop internal audit programme					
Develop compliance reporting to include damp mould and condensation					
Develop external technical audit programme					

Key Priority D - Quality of Home	Yr 1 (23/24)	Yr 2 (24/25)	Yr 3 (25/26)	Yr 4 (26/27)	Yr 5 (27/28)
Engaging with customers to gain insight to inform how we should maintain and improve homes					
Watching brief on Decent Homes Standard review and implement changes					
Review lettings standard					
Review specifications to ensure they support mitigation of damp, mould and condensation					
Publish Quality of Home offer					
Deliver programme of communal area improvement					

Key priority E - Our repairs Service	Yr 1 (23/24)	Yr 2 (24/25)	Yr 3 (25/26)	Yr 4 (26/27)	Yr 5 (27/28)
Complete the repairs transformation project					
Continue to evolve a person-centred approach to eradicating damp and mould					
Improve customer engagement by using modern technologies					
Analyse customer feedback and prioritise service improvements accordingly					
Achieve high performance at median cost per property when compared with peers					

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